

No. 25-01

Approved by the Board of Directors
at its May 8, 2025, meeting:



Executive Vice President, General
Counsel and Corporate Secretary

MINUTES OF MEETING
OF
THE BOARD OF DIRECTORS
TENNESSEE VALLEY AUTHORITY

February 13, 2025

A meeting of the Board of Directors of the Tennessee Valley Authority was held in TVA's Knoxville Office Complex, 400 W. Summit Hill Drive, Knoxville, Tennessee on February 13, 2025. The meeting was called to order at 9:00 a.m. (ET). The meeting agenda was announced to the public on February 6, 2025. The meeting was open to public observation.

Board members in attendance were: Director and Chair Joe Ritch and Directors Beth Geer, Robert (Bobby) Klein, William (Bill) Renick, Michelle Moore, and Wade White.

Also present were TVA officers, including Jeffrey J. (Jeff) Lyash, President and Chief Executive Officer; Don Moul, Executive Vice President and Chief Operating Officer; Thomas C. Rice, Senior Vice President and Chief Financial Officer; Tim Rausch, Executive Vice President and Chief Nuclear Officer; Jeannette Mills, Executive Vice President and Chief Administrative Officer; Bryan Williams, Senior Vice President, Generation Projects and Fleet

Services; and David Fountain, Executive Vice President, General Counsel and Corporate Secretary. David Fountain served as the Board's parliamentarian.

Chair Ritch 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 present.

25-01-1 Welcome

Chair Ritch expressed his appreciation for the hospitality the Board received from the City of Knoxville and welcomed members of the Valley Public Power Leadership Academy. The Board then heard remarks from Glenn Jacobs, Mayor of Knox County.

Chair Ritch next called on Jessica Dufner, Director of Business Communications, to summarize the comments received during the Board's public listening session. Ms. Dufner summarized the comments received from nearly 50 individuals either in person and online, including the following:

- local officials and organizations expressed their appreciation for TVA's immediate response and ongoing support of Hurricane Helene recovery efforts in western North Carolina and eastern Tennessee;
- local officials and organizations expressed gratitude for Jeff Lyash's leadership and hope that his successor will continue a balanced approach to powering the Tennessee Valley with knowledge of the TVA public power model;
- several comments addressed the need for increased generation with speakers encouraging TVA to expand the regional power system as the economy and demand grows;
- some speakers discussed the need for regional energy security through affordable and reliable energy while others discussed the potential impact for the demand from new, large-scale data centers;
- several local power companies addressed the strong partnership between TVA, noting that their organizations could help develop innovative solutions to power the region's energy future;
- some speakers urged TVA to expand solar and renewable energy instead of adding new fossil fuel powered generating assets;

- some citizens and environmental organizations discussed their opposition to the Ridgeline gas pipeline construction due to potential environmental disruption, the risk for spills, and long-term climate change concern;
- some speakers highlighted the benefits of TVA’s flood control, contributions to farming, and the growing value of eco-tourism in TVA’s management of the Tennessee River System;
- some speakers discussed the need for continuing focus on riverbank stabilization along the Tennessee River;
- representatives from the Eastern Band of Cherokee Indians and the Sequoyah Birthplace Museum advocated for the return of a 76-acre parcel along Tellico Lake to the Eastern Band of Cherokee Indians based on previous historic agreements.

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

Old Business

After a motion duly made and seconded, the Board approved the minutes of its November 7, 2024, meeting.

New Business

Chair Ritch called on TVA President and Chief Executive Officer Jeff Lyash to provide opening comments. Mr. Lyash explained that TVA was created in 1933 to lift up a struggling region of the nation, explaining that TVA employees and partnerships with local power companies have brought hope and opportunity to the region. He noted that today the region is one of the best places to live in the country. From an organizational development perspective, Mr. Lyash explained that TVA has been deliberate in growing and developing TVA talent over the past number of years. He noted that TVA has a team of strong and experienced leaders who are capable of leading TVA through transitions and accelerating through them and not losing momentum. He noted the process that TVA is executing on long-term projects to build out the

power system and develop innovative technologies, like new nuclear and fusion, that are dependent on the strength of the TVA team, the clarity of what they need to accomplish, and their commitment to perform in partnership with local power companies and directly served customers.

Mr. Lyash noted that he is proud that the true strength of TVA is its people, who are committed to improving the quality of life for more than 10 million people across the region. He announced the Ike Zeringue Engineer of the Year Award recipient is Miles Yaw, a TVA civil engineer in Water Resources. Mr. Lyash explained that Mr. Yaw's work in hydrology has been recognized both within and outside of TVA. As a result of Mr. Yaw's work, TVA was able to predict the impact, river flows, lake levels, and performance of dams caused by Hurricane Helene. Chair Ritch expressed his gratitude to Mr. Yaw for his work.

Chair Ritch announced that, following the last Board meeting, two Directors, Brian Noland and Beth Harwell, finished their terms, and he expressed the Board's appreciation for their service to TVA.

25-01-2 Report of the Finance, Rates, and Portfolio Committee

Chair Ritch called on Director Wade White, Chair of the Finance, Rates, and Portfolio Committee, to present the Committee's report. Director White reported the Committee met on January 23rd to receive updates on various items.

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25-01-3 Financial Update

Director White called on Thomas C. Rice, Senior Vice President and Chief Financial Officer, to discuss the financial performance for the first quarter of Fiscal Year 2025. Mr. Rice

congratulated John Thomas on his retirement. Mr. Rice provided a report on the financial results for the first quarter, reviewing revenues, expenses, and TVA's summary income statement and summary cash flow statement. Mr. Rice reported that TVA filed its first-ever return with the Internal Revenue Service to claim tax credits under the Inflation Reduction Act and is expecting \$23 million in credits relating to capacity uprates and modernization efforts at TVA's hydro facilities. A copy of the slides used by Mr. Rice in his presentation is filed with the records of the Board as Exhibit 02/13/25A. Director White thanked John Thomas on behalf of the Committee for his service to the people of the Tennessee Valley and for his leadership over the years.

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25-01-4 Shawnee Sulfur Dioxide Controls Project

Director White next called on Bryan Williams, Senior Vice President, Generation Projects and Fleet Services, to present the proposed approval for the Shawnee Sulfur Dioxide Controls Project. Mr. Williams explained that a team evaluated several alternatives to comply with new emissions limits for sulfur dioxide (SO₂) that become effective in 2028. Mr. Williams reported the team's recommendation is to install two additional scrubbers at Shawnee to reduce those emissions and noted that the scrubbers have the lowest evaluated cost of the alternatives considered and can be implemented within the required schedule. Mr. Williams explained management's recommendation that the Board approve \$233 million to install SO₂ controls at Shawnee subject to review of the environmental process. Copies of the slides used by Mr. Williams in his presentation are filed with the records of the Board as Exhibit 02/13/25B.

After a motion duly made and seconded, the Board adopted the following resolution, as recommended in a memorandum from Executive Vice President and Chief Operating Officer Don Moul, dated January 8, 2025, and filed with the Board as Exhibit 02/13/25C.

WHEREAS, a memorandum from the Executive Vice President and Chief Operating Officer (COO), dated January 8, 2025 (Memorandum), a copy of which is filed with the records of the Board of Directors as Exhibit 02/13/25C recommends approval of a new capital project (SHF Project) that will ensure that TVA's Shawnee Fossil Plant is compliant with expected environmental requirements of the Regional Haze rule through at least 2032, when the requirements of the new Environmental Protection Agency greenhouse gas rule becomes operative; and

WHEREAS, as recommended in the Memorandum, the Board concludes that it is in the best interest of TVA to approve the budget for the requested capital project; and

WHEREAS, as further recommended in the Memorandum, the Board concludes that it is in the best interest of TVA to delegate authority to the Chief Executive Officer (CEO) to make the final decision to proceed with that project for purposes of the Administrative Procedure Act subject to the budget approved by the Board of Directors and relevant Board Practices and after completion of all required environmental reviews under the National Environmental Policy Act and other applicable laws;

BE IT RESOLVED, that the Board of Directors approves the budget for the SHF Project and authorizes the CEO to make the final decision to proceed with that project for purposes of the Administrative Procedure Act subject to the budget approved by the Board of Directors and relevant Board Practices and after completion of all required environmental reviews under the National Environmental Policy Act and other applicable laws.

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Director White reported the Committee received updates on TVA's cost optimization program launched in 2024 to help reduce operating costs. Director White reported TVA has established an Enterprise Transformation Office that is focusing on efforts to streamline internal TVA processes to improve efficiencies and find sustainable cost savings. Director White reported that the Enterprise Transformation Team has been designated to serve as TVA's Department of Government Efficiency office in compliance with a recent Executive Order. Director White reported the Enterprise Transformation Team has released a top-level organizational structure and will be working over the coming months to further refine the

organizational structure, governance systems, and internal processes to drive improved performance and achieve sustainable cost savings. Director White explained that the savings will translate into improved value for customers. Director White explained that the Committee understands the effect that costs have on TVA's rates, and that the Committee has an important role in ensuring that TVA is taking every step it can to keep rates as low as feasible.

Director White reported the Committee received an update on TVA's Integrated Resource Plan (IRP). Director White reported between September 23 and December 11, 2024, TVA conducted ten in-person open houses across the Tennessee Valley and two virtual seminars. Director White expressed the Committee's appreciation of the public's interest. Director White reported that management will be prepared to present the final recommendations on the IRP as early as the next Board meeting in May 2025.

Director White reported that the Committee received updates on the status of the TVA Retirement System (TVARS), noting that TVA remains ahead of schedule for ensuring TVARS is fully funded by 2036. Director White reported the Committee discussed updates on TVA's commercial incentive programs, the performance of its purchased power agreements, and management's review of TVA's rate structure to determine the appropriate way to classify certain types of new, large, and rapidly expanding loads that can impact other customers. TVA staff has plans to further engage TVA's customers and customer associations in the process for adjusting current rates structures for certain customer classes. Director White reported the Committee anticipates there will be adjustments to some rate classes and will fully consider additional updates management and stakeholders provide to the Board in the near future.

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25-01-5 Report of the External Stakeholders and Regulation Committee

Chair Ritch called on Director Bill Renick, Chair of the External Stakeholders and Regulation Committee, to present the Committee's report. Director Renick reported the Committee met on January 22, 2025 .

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25-01-6 Blue Ridge and Missionary Ridge Surplus Determination

Director Renick called on Jeannette Mills, Executive Vice President and Chief Administrative Officer, to present the proposed approval for the surplus/disposal decision for the Blue Ridge and Missionary Ridge buildings. Ms. Mills discussed the history of the Chattanooga Office Complex and noted that, due to employee reductions, technology improvements, and the adoption of shared space policies, now is the time to make a surplus decision for two buildings. Ms. Mills explained that TVA has spoken with Chattanooga officials and community leaders about the benefits of divesting the buildings for the economic benefit of Chattanooga. Ms. Mills explained that TVA has been working diligently to comply with the Return to Office Executive Order and that Chattanooga is one of the largest areas with employees who are not in the field or at generating stations. Ms. Mills explained that TVA believes that there is adequate space in the remaining buildings in the Chattanooga Office Complex to accommodate returning employees and that TVA will be in compliance with the Executive Order. Copies of the slides used by Ms. Mills in her presentation are filed with the records of the Board as Exhibit 02/13/25D.

After a motion duly made and seconded, the Board adopted the following resolution, as recommended in a memorandum from Jeanette Mills, Executive Vice President and Chief Administrative Officer, dated December 19, 2024, and filed with the Board as Exhibit 02/13/25E.

WHEREAS, the Chattanooga Office Complex consists of five interconnected buildings: Missionary Ridge, Signal Place, Lookout Place, Blue Ridge, and Monteagle Place on approximately 8.1 acres in downtown Chattanooga, Tennessee (collectively referred as the COC) consisting of TVA Tracts COFC-16, -18, -19, -20, and -34, in Hamilton County, Tennessee; and

WHEREAS, the United States of America for the benefit and use of TVA owns the COC in fee simple, and has also granted three permanent easements to the City of Chattanooga for 1) a street, sidewalk, and necessary appurtenances (Broad Street) bearing TVA Tract No. XTFCOFC-4E, 2) an elevated pedestrian walkway connecting to the Chattanooga Trade Center Parking Garage bearing TVA Tract No. XTFCOFC-6E, and 3) for a street, sidewalk, and necessary appurtenances (12th Street) bearing TVA Tract No. Tract XTFCOFC-7E, and said easements shall continue in accordance with their terms, subject to any necessary negotiations; and

WHEREAS, as recommended in the December 19, 2024, memorandum from the Chief Administrative Officer (CAO), a copy of which is filed with the records of the Board of Directors (Board) as Exhibit 02/13/25E, and subject to the conditions and reservations set forth below, the Board has determined that (i) TVA has no further need of the fee interest in the property or the buildings that comprise that portion of the COC on which the Blue Ridge and Missionary Ridge buildings and adjacent street and sidewalks are located, TVA Tract Nos. COFC-20 and COFC-34 (the "Site"), for any of the purposes of the Tennessee Valley Authority Act of 1933, as amended, and (ii) the disposal of the Site will not be adverse to the interests of the United States or TVA; and

WHEREAS there is no permanent dam, hydroelectric power-plant, or munitions plant located on said tract.

BE IT RESOLVED, That the Board hereby declares that the Site is not necessary to carry out any plans or projects actually decided upon and is otherwise surplus and/or excess to TVA's needs, provided, however, that with regard to any portion of the Site, such declaration is conditioned upon a written determination by the Chief Executive Officer (CEO) that the declaration is necessary for the conveyance of such portion and that TVA operations will be successfully relocated from such portion prior to any conveyance thereof;

RESOLVED further, That the Board hereby delegates to the CEO the authority to authorize the conveyance, disposition, sale, or transfer (collectively referred to as a conveyance or disposal) of all or individual portions of the Site, pursuant to any available disposal authority, upon the CEO making the above-described determinations and upon satisfactory completion of environmental reviews;

RESOLVED further, That the Board hereby authorizes the CEO to, (i) determine the terms, conditions, and schedule for conveyance of the Site, (ii) administer, modify, and/or exercise any legal rights available to TVA arising out of, any contracts or conveyance instruments for disposal of the Site, and (iii) modify or terminate the property transfer and transfer process before closing if any environmental reviews do not satisfactorily address potential environmental impacts or if the CEO determines that the conveyance is not in the best interest of TVA;

RESOLVED further, That the Board authorizes and directs the Senior Manager, Realty Services, or designee, to convey any or all real property interests in the Site as delegated to the CEO pursuant to any available disposal authorities, as determined by the Office of the General Counsel, allowed under law for the disposal of the Site, including, but not limited to, the TVA Act and all other acts of Congress, and subject to all other required TVA processes and practices, and to deliver to the grantee appropriate legal instruments in such form as the General Counsel, or the designee thereof, shall approve, subject to terms and conditions as may be necessary to cover and protect TVA's statutory obligations, program requirements, and legal and other interests, and subject to satisfactory completion of all necessary environmental reviews;

RESOLVED further, That the Board directs TVA to continue to update and supplement the environmental reviews that have been conducted for use of the Site, as appropriate, in light of the proposed uses of the 1) Site and any other portions of the COC, and 2) applicable law.

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Director Renick reported that the Committee received a management update on TVA's potential divestment of mineral interests in Southern Illinois where TVA has purchased approximately 65,000 acres of mineral rights over the decades. Director Renick reported that TVA is weighing whether to surplus the mineral rights and anticipates a management recommendation in the future. Director Renick reported that the Committee received a management update highlighting improvements that resulted in more effective communications during the recent weather events and faster engagement with local communities. Director Renick reported that the Committee was provided an update on economic development performance highlighting the training and development TVA provides throughout the Valley.

Director Renick reported that the Committee received updates on customer and community relations where the North Region, which serves middle Tennessee and Kentucky, continues to engage with the community in Cheatham County to address concerns for TVA's generation plans. Director Renick reported that, in the Southwest Region, which serves TVA's service area in Mississippi, staff continues to work with Holly Springs Utility Department

regarding power contract compliance. Director Renick reported that the Committee also discussed feedback received regarding the management of directly served customers and that TVA is in the process of adjusting based on the feedback. Director Renick reported that the Committee received its annual update on TVA's Community Contributions Program. Director Renick reported that management provided an overview of the processes in place to ensure TVA's contributions are aligned with TVA's mission and highlighted contributions to support STEM education and workforce development programs. The Committee also received an update external engagement related to TVA's IRP. Director Renick reported that the Committee received its annual environmental policy and performance review. He noted that TVA's overall performance remains strong and management made no recommendations for policy changes. Director Renick reported that the Committee received updates related to local power company regulatory oversight and TVA's federal advisory committees.

25-01-7 Report of the Audit, Risk, and Cybersecurity Committee

Chair Ritch called on Director Michelle Moore, Chair of the Audit, Risk, and Cybersecurity Committee, to present the Committee's report. Director Moore reported that the Committee met once on January 22, 2025, for its regular quarterly meeting and again on February 3, 2025, to review TVA's quarterly U.S. Securities and Exchange Commission (SEC) filing. Director Moore reported that the Committee was briefed on TVA's cybersecurity risk management and discussed how TVA can support local power companies in their cybersecurity activities. Director Moore reported that the topic will be a focus area for the Committee in the coming months, with Director Renick taking the lead to work with TVA staff and the Office of the Inspector General. Director Moore reported that the Committee received an update on

TVA's enterprise risk and assurance activities, including a discussion of the processes used for identifying and evaluating enterprise risk. Director Moore reported that the Committee received a management update on TVA's Fiscal Year 2025 risk portfolio, which includes over 190 risks grouped together into 25 categories. Director Moore reported that the Committee reviewed activities of TVA's Disclosure Control Committee and TVA's Sarbanes-Oxley Section 302 certification process. Director Moore reported that TVA's external auditor, Ernst & Young, presented its annual audit plan, and the Committee approved additional funds for Ernst & Young to cover extended-scope work in Fiscal Year 2025. Director Moore reported that the Committee received a management update on several lawsuits, noting that the Ethics & Compliance team published its first ever annual report. Director Moore reported that the Committee met with the Office of the Inspector General staff for a quarterly update and separately with Ernst & Young.

Director Moore reported the Committee convened an informational briefing for the Board on asset retirement obligations (ARO), which are legal obligations related to the retirement of long-lived assets. Director Moore reported TVA's ARO liabilities are currently approximately \$10.5 billion.

Director Moore reported that the Committee reviewed TVA's quarterly report to the SEC on February 3, 2025, and that the 10-Q was filed with the SEC on February 4, 2025.

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25-01-8 Report of the Operations and Nuclear Oversight Committee

Chair Ritch called on Bobby Klein, Chair of the Operations and Nuclear Oversight Committee, to present the Committee's report. Director Klein reported that the Committee met on January 14, 2025, toured the Sequoyah Nuclear Plant, and witnessed the important work being done on the Unit 2 main generator. Director Klein reported that the Committee discussed

TVA's top decile safety performance in serious injuries, focus areas for safety engagement, and continued positive impact of worker-level safety teams. Director Klein then called on Don Moul, Executive Vice President and Chief Operating Officer, to provide an update on operational performance.

Mr. Moul reported that TVA met the highest demand ever at TVA at 35,430 megawatts on January 22, 2025, and that this is the third winter in a row when TVA has met a new demand record. Mr. Moul reported that meeting the peaks comes with hours of evaluating what is needed and developing and executing plans to ensure actions are taken in a timely manner to perform when needed. Mr. Moul explained that, even as TVA meets current demands, it is important to invest in the fleet to keep assets running at their optimal levels. Mr. Moul explained why the Shawnee control project is so important, along with hydro-life extension efforts allowing more output from generating dams. Mr. Moul reported that progress is being made on adding new generation with the Cumberland and Kingston plants and that the new aeroderivatives at the Johnsonville plant are in their testing phase with a projected to be online date before summer. Mr. Moul discussed that TVA recently released a final environmental impact statement related to building a new gas plant on federally owned property managed by TVA in Lowndes County, Mississippi, with a record of decision expected in the coming days. Mr. Moul discussed that TVA worked with other utilities and industry partner organizations to lead an application for funds to advance potential deployment of small modular reactors and selected three partners to help TVA with initial planning for a potential small modular reactor at the Clinch River Site. Mr. Moul reported that TVA's work on Nolichucky Dam continues, as well as work with local communities affected by Hurricane Helene.

Director Klein reported that the Committee discussed performance of transmission and power operations in meeting the recent extreme cold weather events. The Committee discussed the need for additional scrubbers at the Shawnee Fossil Plant, which was an item approved by the Board earlier in the meeting, and the status of various projects. Director Klein then called on Tim Rausch, Executive Vice President and Chief Nuclear Officer, to provide an update on the nuclear fleet performance.

Mr. Rausch reported that four out of seven TVA nuclear units currently are operating at full capacity. Mr. Rausch reported that Sequoyah Unit 2 and Watts Bar Unit 1 are finalizing the equipment failure root cause analysis to ensure all corrective and preventative actions are in place to avoid a repeat equipment failure. Mr. Rausch reported that Browns Ferry Unit 3 experienced a shutdown Saturday night and is in the process of completing inspections and developing a return-to-service plan. Mr. Rausch reported that Browns Ferry Unit 2 and Watts Bar Unit 2 have planned refueling outages this spring and that the nuclear staff has verified readiness for both outages. Mr. Rausch reported that Browns Ferry completed its Institute of Nuclear Power Operations (INPO) evaluation last week, and the site received an exemplary rating on all three units, which is the highest rating in the industry. Mr. Rausch reported the nuclear life extension project is progressing, with over 445 total projects in process. Mr. Rausch reported that the return-to-service dates for Sequoyah Unit 2 and Watts Bar Unit 1 are on track and that he does not expect the outage at Browns Ferry Unit 3 to be an extended outage.

Director Klein reported that the nuclear fleet's performance has generally been consistent with Watts Bar Unit 2 returning to the best column of the U.S. Nuclear Regulatory Commission's reactor oversight process. Director Klein reported that, since the Committee's January 14, 2025, meeting, Watts Bar Unit 1 and Browns Ferry Unit 3 each experienced an

automatic reactor trip with all systems and personnel responding as designed, resulting in a safe shutdown. Director Klein reported that the Committee discussed how the revised nuclear business plan was developed and continues to be refined with a focus on those in the field and actions implemented to facilitate employee ownership of the business plan. Director Klein reported that the Committee discussed the nuclear life extension and hardening initiative projects completed in Fiscal Year 2024 and that these projects were completed in a manner that reflected strong financial discipline. Director Klein reported that the Committee reviewed the performance of Mr. Dennis Koehl, the Committee's nuclear consultant, and agreed to extend his engagement.

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25-01-9 Report of the People and Governance Committee

Chair Ritch called on Director Beth Geer, chair of the People and Governance Committee, to present the Committee's report. Director Geer reported the Committee met on January 22nd. Director Geer reported the Committee received an update on TVA's performance during the first quarter of Fiscal Year 2025 against its key performance measures. Director Geer reported the non-fuel delivered cost of power and the nuclear performance index are below threshold while the load not served measure is on plan. Director Geer reported the Committee's independent compensation consultant, Meridian Compensation Partners, reaffirmed its independence. Director Geer reported the Committee received an update on TVA's current voluntary reduction in force, which remains open until February 28th.

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25-01-10 Selection of Board Chair

Director Geer reported that the Committee is recommending that Director Bill Renick be elected as the next TVA Board Chair-Elect, with his term beginning at the conclusion of the May Board meeting or earlier if Chair Ritch is unable to serve. If able, Chair Ritch will continue to serve as Chair until the meeting in May 2025.

After a motion duly made and seconded, the Board adopted the following resolution, which is filed with the Board as Exhibit 02/13/25F.

WHEREAS in accordance with Section 2(a)(2) of the Tennessee Valley Authority (TVA) Act of 1933, as amended, the Board selects one of its members to act as Chair of the Board (Chair);

WHEREAS the term of the current Chair, Joe Ritch, ends on May 18, 2025;

WHEREAS Section 1.1 of the TVA Bylaws provides that the Board shall select a new Chair at least 30 calendar days prior to the end of the term of the then-current Chair; and

WHEREAS on January 22, 2025, the People and Performance Committee approved recommending that Bill Renick be nominated to serve as Chair Elect, with his term as Chair commencing on May 19, 2025;

WHEREAS the Board also believes that Bill Renick should be nominated as Chair Elect, and that he should assume the role of Board Chair on May 19, 2025, or earlier if a successor to Director Ritch takes office before that date or Director Ritch is otherwise unable to serve as Chair;

BE IT RESOLVED That the Board approves the selection of Bill Renick to serve as Chair Elect and to serve as Chair for a term of two years commencing on the earlier of (1) May 19, 2025, or (2) Director Ritch's successor to the TVA Board taking office, or (3) Director Ritch otherwise being unable to serve as Chair.

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25-01-11 President's Report

Chair Ritch called on President and Chief Executive Officer, Jeff Lyash, to provide the President's Report. Mr. Lyash discussed how TVA is important to the Tennessee Valley region and the nation. Mr. Lyash discussed that partnerships with customers, elected officials, and stakeholders are stronger than ever, but not yet strong enough. Mr. Lyash explained that TVA has maintained top quartile reliability and cost competitiveness while meeting three consecutive years of record-setting load and having all nuclear plants recognized as top performers for the first time in TVA's history. Mr. Lyash discussed TVA's financial strength and noted that TVA reduced debt to the lowest level in 30 years and helped to create billions of dollars in capital investment and thousands of good jobs while achieving top-decile safety performance. Mr. Lyash noted that TVA has always been an innovation company and is proud to be a leader in developing and deploying innovative technologies like new nuclear, which is expected to provide energy security to the region and nation. Mr. Lyash expressed how proud he was of TVA employees' work. Mr. Lyash noted that TVA does not work alone and that all achievements are accomplished in partnership, beginning with the 153 local power companies. Mr. Lyash observed that the region is growing at three times the national average and that TVA is committed to being a stronger partner by launching a \$1.5 billion initiative to help families, communities, and industries use energy more efficiently, save money, and reduce peak energy demand. Mr. Lyash discussed how TVA has helped more than 68,000 homeowners and businesses save nearly \$400 million on electric bills over the life of those energy improvements and helped to offset an estimated 30% of new load growth through 2033.

Mr. Lyash reported TVA is building and investing in TVA's diverse generation portfolio with a gas generation construction program to meet growing demand for dispatchable energy with more than 5,500 megawatts of new dispatchable generation in service or under

construction. Mr. Lyash explained that gas provides flexibility when the region needs it most with many units able to reach full power in as little as 12 minutes during periods of peak demand. Mr. Lyash discussed that TVA is investing in the reliability of existing generation, working to improve the reliability of the fleet and extending the lives of nuclear plants. Mr. Lyash discussed that TVA is making significant investments in its power system: \$4 billion in 2024 alone with an additional \$16 billion based on current planning assumptions over the next several years. Mr. Lyash discussed that TVA's ongoing investments in the network of dams to improve dam safety, increase hydrogeneration output, and extend the life of those assets for decades through the Hydro Life Extension Program.

Mr. Lyash reported that TVA continues to lead the nation in new nuclear development, including small modular reactors and advanced reactors, which are critical to meeting the future energy demand and directly contribute to national security and the strength of the economy. Mr. Lyash reported that TVA is leading a coalition of industry partners to pursue an \$800 million grant from the U.S. Department of Energy, which, if awarded, would support development of the BWRX-300 small modular reactor at the Clinch River Nuclear Site in Oak Ridge, Tennessee. Mr. Lyash expressed his appreciation to the State of Tennessee, which has strongly supported TVA's effort, and noted that Governor Bill Lee proposed this week \$50 million to create a small modular reactor grant fund to support the Clinch River SMR Project. Mr. Lyash reported that Governor Lee has proposed supporting the nuclear industry by providing \$10 million in a nuclear energy fund to attract advanced nuclear technology companies to the state. Mr. Lyash reported that Governor Lee also proposed \$2.6 million to develop the nation's first regulatory framework for commercial nuclear fusion power with Type One Energy making its home at TVA's Bull Run facility. Mr. Lyash reported that Governor Lee's Nuclear Energy

Advisory Council recommended an additional \$10 million investment in vocational education to support the nuclear workforce. Mr. Lyash reported that Governor Lee proposed \$20 million for the federal grant matching fund to support proposals from Tennessee universities and businesses applying for research funding from federal agencies. Mr. Lyash expressed his appreciation for Governor Lee's strong support.

Mr. Lyash reported that TVA has about 4,000 megawatts of solar generation currently in operation or in development and will aim for up to 10,000 megawatts of solar energy by 2035.

Mr. Lyash discussed the investments in the system that are already benefitting the people of the region with systems remaining stable through several days of extremely high demand. Mr. Lyash expressed his appreciation for the partnerships with all communities, residents, and businesses who answered the call when asked to conserve power.

Mr. Lyash reported that residential rates are 80% lower than the rest of the nation and industrial rates are lower than over 90% of the utilities in the nation. Mr. Lyash explained that, while maintaining cost competitive rates, TVA has worked hard on its financial health to position it for the billions of dollars in investment that TVA is facing in the next several years. Mr. Lyash reported that focusing on cost competitiveness and reliability has had a direct impact on economic development across the region, with TVA helping to create over \$45 billion in projected capital investment and which is expected to help attract or retain more than 325,000 jobs for the region. Mr. Lyash reported that TVA's north star is providing affordable, reliable, resilient, and sustainable energy to drive economic development.

Mr. Lyash reported that, after working closely with multiple stakeholders, TVA is now completing its IRP, which will shape TVA's energy system from now through 2050 and help ensure the region has affordable, reliable, resilient, and sustainable energy for decades to come.

Mr. Lyash reported that TVA will be releasing the IRP a little later this year. He noted that TVA is working through TVA's asset plan to balance reliability, investments for upgrading existing assets, retirement of aging assets, and buildout of new gas and solar generation.

Mr. Lyash explained that TVA has launched an Enterprise Transformation Initiative targeted on sustainably reducing annual costs by at least a half a billion dollars to help ensure that TVA is aligned and supporting the right priorities. Mr. Lyash reported that TVA is also updating its long-range financial plan and asking for input from partners, local power companies, and directly served industries.

Mr. Lyash reported that TVA will continue to develop more expansive partnerships with customers to evolve the public power model for the next century and to help leverage the untapped potential that lies between the transmission delivery point and homes and businesses. He noted that TVA will leverage strategic partnerships to drive energy innovation and new technologies to expand the energy system to meet growing demand. He opined that TVA is fortunate to work with outstanding local power company leaders and could pick any one of the 153 to highlight but will pick Gabe Bolas from Knoxville Utilities Board. Mr. Lyash discussed Mr. Bolas' leadership in a rapidly growing metro area in terms of energy delivery, community engagement, and collaboration with the public power model.

Mr. Lyash reported that the local power companies TVA serves are key partners in bringing together the region's industry for demand response during extreme energy peaks. Mr. Lyash discussed partnerships needed to make those programs work. Mr. Lyash discussed that TVA has seen the impact of demand response during the recent record peak and has seen the impact residential customers can have when they heed the calls to conserve power. Mr. Lyash

reported that January's winter weather conservation efforts resulted in a reduction of an estimated 400 megawatts off the peak.

Mr. Lyash discussed that the region also has strong support from elected officials that are driving support for an American-made energy future. He noted that, in collaboration with partners including Mr. Bolas, local mayors, Congressman Chuck Fleischmann, and Governor Bill Lee, we understand that TVA-generated energy is the heart of more than 10 million people's daily lives. Mr. Lyash explained that TVA is stronger today than ever before, delivering for the people and committing to long-term energy security.

Copies of the slides used by Mr. Lyash in his presentation are filed with the records of the Board as Exhibit 02/13/25G.

25-01-12 Grid Resilience and Innovation Partnerships Program Grant Funding

As recommended in a memorandum from John Thomas, Executive Vice President and Chief Financial & Strategy Officer, dated December 20, 2024, the majority of the Board members notationally approved a Grid Resilience and Innovation Partnerships Program Grant Funding. A copy of the resolution is filed with the records of the Board as Exhibit 02/13/25H.

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25-01-13 Committee Assignments

As recommended by the Board Chair, the individual Board members notationally approved new Committee assignments. A copy of the resolution is filed with the records of the Board as Exhibit 02/13/25I.

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25-01-14 TVA Board Working Group Solely Related to Internal Personnel Practices

As recommended by the Board Chair, the individual Board members notationally approved the creation of a working group solely related to internal personnel practices. A copy of the resolution is filed with the records of the Board as Exhibit 02/13/25J.

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Chair Ritch closed the meeting by recognizing TVA's bomb-sniffing dogs Money and Jett and the hard work of TVA's employees. Chair Ritch introduced a video featuring TVA employees and their accomplishments across the Valley.

The meeting was adjourned at 10:25 a.m. (ET)