Resolution of
The Board of Directors of the Tennessee Valley Authority
(Establishing the Board Practice System)

WHEREAS the Board, from time to time, may choose to adopt certain practices to govern various Board and Board Committee processes and activities or to interpret provisions of the **Bylaws of The Tennessee Valley Authority** in order to provide guidance to Board Members or the Chief Executive Officer in those cases where an amendment to the Bylaws to accomplish such purposes might not be necessary; and

WHEREAS the Board believes that it would be useful and appropriate to establish a system for compiling and maintaining these various practices that the Board may approve in the future;

BE IT RESOLVED, That the Board hereby establishes a ***TVA Board Practices*** system, into which all future actions by the Board in adopting such practices or providing such interpretative guidance regarding the ***Bylaws of The Tennessee Valley Authority*** shall be compiled, indexed, and maintained by the Corporate Secretary in a manner that shall assure convenient access for Board Members and for the Chief Executive Officer and TVA management.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

Board Practices

BOARD CHAIR SELECTION PROCESS

CAPITAL PROJECT APPROVALS

COMMERCIAL ENGERY AGREEMENTS, PROGRAMS, AND RELATED CONTRACTS

CONSENT AGENDA

CONTINUING EDUCATION OPPORTUNITIES

ENGAGEMENT OF OUTSIDE ADVISORS

EXTERNAL INQUIRIES

IMPLEMENTATION AND CONTRACT AUTHORITY

MEMBERSHIP IN EXTERNAL ORGANIZATIONS

NOTATIONAL APPROVALS

REAL PROPERTY

SENSITIVE AND CONFIDENTIAL INFORMATION SECURITY AND MANAGEMENT

SETTLEMENTS OF CLAIMS AND LITIGATION

TVA EMPLOYEE COMPENSATION

USE OF TVA AIRCRAFT

TVA Board Practice
Board Chair Selection Process

Background
Section 2(a)(2) of the TVA Act states that the members of the Board shall select one of the members to act as chair of the Board.

Article I, Section 1.1 of the TVA Bylaws sets forth that the Board of Directors shall select one of its members to serve as Chair of the Board and the Chair shall serve a term of two years unless the Board decides otherwise. It further provides that the term of the first Chair selected under the provisions of Section 2(a)(2) of the TVA Act would expire on May 18, 2008, and that each subsequent term of a Chair of the Board would expire on May 18 of each subsequent even-numbered calendar year, unless the Board decides otherwise.

The Bylaws also provide that a Chair's successor shall be selected by the Board at least thirty (30) calendar days prior to the end of the term of the then current Chair; provided, however, that if the position of Chair should become vacant prior to the end of a term due to resignation or any other reason, the Board shall, not later than thirty (30) calendar days after the date upon which such vacancy occurs, select a new Chair to serve out the remainder of the current term.

Guiding Principle
This selection process provides a guide by which the Board may take timely and orderly action when selecting a new Chair of the Board. The following process also adopts a timeline that supports the selection time frame set out in the Bylaws and provides for an orderly and considered transition from one Chair to the next.

Process

a. Approximately six months prior to the end of the term of the current Board Chair, the chair of the committee with oversight of human resources and talent management (the "Committee") will request the individual Members of the Board to provide the Committee chair with suggestions for those Directors who should be considered for selection to serve as the next Chair. Directors can either recommend themselves or recommend a fellow Member of the Board.

b. If a member of the Committee would like to be considered as a potential nominee for Chair, he or she shall recuse himself/herself from the selection process and will not participate as a member of the Committee for purposes of the nomination process.

c. At the first regular Board meeting approximately three months prior to the end of the term of the current Board Chair, the Committee will nominate a potential Board Chair candidate from among the Board's current membership to the full Board, and the full Board will consider and vote on a new Chair. The Director so selected ("Chair-Elect") will take office as Chair on the date specified in the motion by which the Chair-Elect was elected, or if no date is specified, on May 19 of that same year. The Chair-Elect will take office sooner if the current Chair ceases to serve in such capacity before such date.

d. At the regular Board meeting following selection of the Chair-Elect, the Chair-Elect will submit a slate of committee members for the full Board's consideration and vote.

Committee members as approved by the Board will begin to serve on the date specified in the approved motion.

Upon approval of committee membership, the Chair-Elect will select one member of each committee to serve as chair of that committee beginning on the same date that the new committee membership takes effect.

As recognized in the Bylaws, the Board reserves the authority to act at variance from this Practice as it determines appropriate, including, but not limited to, the option for any individual Board member to nominate a Board Chair candidate at a regular meeting.

Approved by the Board of Directors of the Tennessee Valley Authority
November 14, 2013

Amended May 7, 2020

TVA Board Practice
Capital Projects Approval

Background
Section 3.2(i) of the Bylaws of The Tennessee Valley Authority provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that a routine part of maintaining continuity and/or reliability of ongoing operations involves undertaking capital projects. By adopting this TVA Board Practice, the Board is providing more definitive guidance to the CEO as to what capital projects the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the Bylaws. It is intended by the Board to enable the CEO to assume authority to approve capital projects up to a specified dollar amount.

Guidance
1. The CEO has the authority to approve any capital project not exceeding $200 million.

2. The CEO has the authority to increase any previously Board-approved capital project, or project specified by line-item in a Board-approved budget, in an amount not to exceed $200 million.

3. The CEO has the authority to approve a capital project that has been specified by line-item in a Board-approved budget.

Given the importance of promoting consistency, clarity, transparency, and oversight in this governance area, the Board believes it is desirable to establish common guidelines to be used whenever the Board considers inclusion of a capital project by line-item in a Board-approved budget.

For each capital project with a budget estimated at $200 million or greater that will be recommended as a line-item in a proposed budget under this Board Practice, the following guidance should be followed:

- When a capital project is first included by line item in a proposed budget, the capital project should be displayed at the public board meeting where the budget is approved and clearly identified as a capital project included as a line-item in the budget pursuant to this Board Practice;

- The list of each capital project identified by line-item in a proposed budget shall be (1) reviewed with the Board committee with jurisdiction over TVA operations, (2) reviewed with the Board committee with jurisdiction over the annual budget, and (3) provided to the full Board in writing at least two weeks prior to any final Board vote on the budget;

- To the extent that the CEO's authority with respect to any project identified by line-item in a proposed budget is to be conditioned by any specific parameters, thresholds, or requirements, those shall be specifically stated in the resolution approving the budget; and

- In addition to the above, and to facilitate Board oversight, TVA management periodically shall provide performance reports to the committee with jurisdiction over the annual budget, summarizing actions taken by the CEO, or his or her designee, under this Board Practice with respect to projects greater than $200 million. To comply with the above reporting requirement, management, at a minimum, shall report on any material actions taken by the CEO, or his or her designee, and provide an annual report to the committee with jurisdiction over the budget during the budget approval process cycle, which typically occurs in July or August of each year.

Notwithstanding the foregoing, the CEO may determine that a capital project should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

Approved by the Board of Directors of the Tennessee Valley Authority on January 25, 2007.

Amended first bullet of Practice to reflect committee with specific responsibility rather than formal committee name at November 17, 2011, Board meeting.

Amended Practice to increase CEO approval authority to a not to exceed amount of $200 million, and removed committee review of projects that are included by line item in an approved annual budget at February 10, 2022, Board meeting.

Amended Practice to clarify process that applies to capital projects greater than $200 million that are identified by line item in a proposed annual budget via notational approval October 4, 2024.

TVA Board Practice
Commercial Energy Agreements, Programs, and Related Contracts

Background

Section 3.2 of the Bylaws of the Tennessee Valley Authority (TVA) provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate…to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board has approved multiple actions related to Distributed Energy Resources (DER) policies, programs, and products to achieve specific demand-side and environmental goals; to purchase renewable energy and to sell such renewable energy and renewable energy certificates (RECs) to customers that commit to consume such renewable energy or cover the future costs associated with such renewable energy facilities; and to enter into contractual arrangements that support Flexibility Research Projects that evaluate certain types of local power company-driven competitive generation projects to meet consumer demand. The Board has also authorized the execution of energy efficiency, electrification, and demand response contracts; contractual arrangements related to wholesale power purchases; forward capacity purchases; wholesale power sales; the purchase, sale, and resale of transmission service associated with such sales and purchases of power; the purchase and sale of environmental attributes, including RECs; and virtual transactions and financial transmission rights associated with managing congestion.

The Board acknowledges that a routine part of carrying out Board-approved projects and activities and maintaining continuity and/or reliability of ongoing operations involves committing TVA to contracts under which TVA acquires or disposes of energy, capacity, transmission and ancillary services (collectively, together with the agreements described in the prior paragraph, "Covered Contract(s)").

By adopting this TVA Board Practice, the Board is providing more definitive guidance to the CEO as to what Covered Contracts the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the Bylaws. It is intended by the Board to provide for Committee and Board review of TVA's annual plan for such contracts as part of the budget review and approval process, and to enable the CEO to assume authority to approve Covered Contracts that meet certain criteria.

Guidance

- TVA's Commercial Transactions Contracting Plan ("Contracting Plan"), based on general market information and internal system planning and financial analysis, will be presented for review to the board committee with responsibility for oversight of the budget ("Committee") during the annual budget cycle process. Upon approval by the Committee, the Contracting Plan will be reflected in the Board budget review and approval process. Contracting activity undertaken pursuant to the Contracting Plan or this Board Practice will be reported to the Committee on a periodic basis.

- The CEO may approve any non-nuclear Covered Contracts in any amount with energy durations of up to 20 years and terms of up to 30 years, provided that:

(1) the expense is based on a Board-approved budget as reflected in the Contracting Plan, (2) the Covered Contract implements a project or activity approved by the Board, or (3) the Covered Contract otherwise substantially conforms to the Contracting Plan. In addition to meeting one of the criteria stated in the previous sentence, either the Covered Contract must meet a system reliability need as stated in the Contracting Plan approved by the Board or the cost of the Covered Contract must be neutral or positive to TVA from a net present value perspective after consideration of customer-paid renewable attributes, if applicable.

- The Committee may approve notationally any non-nuclear Covered Contracts that do not comply with the prior paragraph upon the recommendation of the CEO. In the event that the Board lacks a quorum, the CEO may approve any such Covered Contracts.

- The Board must approve any Covered Contract involving nuclear energy.

- Notwithstanding the foregoing, the CEO and/or the Committee may determine that a Covered Contract should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

This TVA Board Practice supersedes: (1) a May 19, 2008, approval to develop and implement energy efficiency and demand response products; (2) an April 2009 authorization to purchase up to 2,000 MW of renewable power; (3) a February 18, 2011, approval and delegation to develop and implement certain Demand Response Products; (4) a November 17, 2011, approval and delegation to develop and implement the Green Power Providers program; (5) a February 14, 2019, delegation to purchase renewable energy and sell such renewable energy and RECS and to enter contracts to support Flexibility Research Projects; (6) approvals dated June 18, 2015, and November 9, 2017, to enter into arrangements for renewable energy to serve specific loads in the Valley; (7) a May 13, 2008, Board Memo establishing the EE/DR Guiding Principles; and (8) the TVA Board Practice for Approval of Fuels, Power Purchases or Sales, or Related Contracts approved by the TVA Board on January 25, 2007.

Approved by the Board of Directors of the Tennessee Valley Authority May 7, 2020

Amended August 24, 2023 and August 20, 2026

TVA Board Practice
Consent Agenda

Background
The TVA Board desires for each Board meeting to be an efficient and orderly use of time for the Directors, management, and members of the general public. The Board recognizes that a number of standard, non-controversial, and self-explanatory items ("routine") come before the Board for approval from time to time. The Board desires to implement a process which will enable such routine business to be addressed at Board meetings in a consolidated and expeditious manner.

Guidance
The agenda for any meeting of the TVA Board of Directors may include a section entitled "Consent Agenda." The objective of utilizing a Consent Agenda is to expedite routine business items and enable a more extensive and detailed consideration by the Board of non-routine public matters.

The Consent Agenda shall consist of items of business which the Chair of the Board, in consultation with the Chief Executive Officer, has determined to be routine in nature. Among other routine items, the Consent Agenda may contain approvals of minutes; minor changes in procedure; confirmation of conventional actions that are required by the Bylaws; and editorial, title changes or minor corrections in documents that require Board approval.

A Consent Agenda may typically be presented by the Chair near the beginning of a Board meeting. Prior to considering any Consent Agenda, the Chair will entertain any request by a Member of the Board to sever any item(s) from that Consent Agenda. Upon such a request, the item shall be removed from the Consent Agenda for separate consideration. Items not removed may be adopted by general consent without debate or discussion.

At the discretion of the Chair, removed items will be placed later on the agenda for separate consideration or will be rescheduled for Board consideration at another time. The Board shall act on a Consent Agenda upon a single motion for approval supported by a vote in the affirmative by a majority of the Board Members present and voting. The vote to approve the Consent Agenda constitutes the approval and adoption of each item within the Consent Agenda just as if it had been acted upon individually by the Board.

The items to be included in a Consent Agenda will be included in the public notices provided by TVA of Board meetings and associated agendas, including notices required to be published in the Federal Register and posted on the TVA website.

Approved by the Board of Directors of the Tennessee Valley Authority
November 17, 2011

Amended May 7, 2020

TVA Board Practice
Continuing Education Opportunities for TVA Board Directors

Background
The Board acknowledges that many modern corporate boards actively encourage continuing education programs for their directors which cover current and emerging corporate governance issues and develop and enhance important business, financial. oversight, and regulatory perspectives.

The Board believes that making such continuing education opportunities available to its Members is important in helping assure the Board's future success as an informed and effective governance body.

By adopting this TVA Board Practice. the Board formally encourages its Members to take advantage of continuing education opportunities related to their roles and responsibilities on the Board and Board Committees.

Guidance

- All TVA Board Directors are encouraged to attend and participate, at least once annually, in continuing education opportunities which will enhance their abilities to perform their duties as Directors and which recognize and address issues that may arise during their tenure as 8 Directors, including ongoing corporate governance and other education programs and opportunities directly related to their service on the TVA Board and Board Committees.

- Those continuing education opportunities, accepted by the committee with oversight over human resources and talent management, as meeting the aforementioned criteria will be provided to Directors at TVA's expense.

Approved by the Board of Directors of the Tennessee Valley Authority
February 15. 2008

Amended first bullet to reflect committee with specific responsibility rather than formal committee name-November 17, 2011. Board meeting

TVA Board Practice
Engagement of Outside Advisors

The Board recognizes that the Board and Board Committees will, from time to time, need to engage outside advisors in order to fulfill their responsibilities. The expense of such advisors would be borne by TVA. With the exception of the independent authority of the audit committee, which may engage outside advisors without such restrictions in keeping with the independence of corporate audit committees generally, the Board directs that the engagement of outside advisors should be made in accordance with the following guidelines and cost parameters:

Outside Advisors for the Full Board

- The Chair of the Board is authorized to approve any individual outside advisor contract with expenditures of up to $500,000 annually with timely notification to all of the Board membership.

- The Chair of the Board is authorized to approve any individual outside advisor contract with expenditures in excess of $500,000 annually upon approval of the full Board of Directors.

Outside Advisors for Board Committees

- The Chair of a Board Committee is authorized to approve any individual outside advisor contract with expenditures of up to $200,000 annually with the approval of the Chair of the Board and timely notification to all of the Board membership.

- The Chair of a Board Committee is authorized to approve any individual outside advisor contract with expenditures in excess of $200,000 but less than $500,000 annually with the approval of the Chair of the Board and with advance notification to all of the Board membership.

- The Chair of a Board Committee is authorized to approve any individual outside advisor contract with expenditures in excess of $500,000 annually upon approval of the full Board of Directors.

The foregoing authorizations shall not prevent the retention by TVA business units of outside advisors for the purpose of advising the Board or prevent the Board's use of TVA outside advisor contracts that are otherwise utilized by TVA business units.

Approved by the Board of Directors of the Tennessee Valley Authority
June 10, 2010

Amended May 7, 2020

TVA Board Practice
External Inquiries

A. Background
The Board can be contacted on a variety of topics by external stakeholders. TVA is a public entity and, as such, wishes to respond to inquiries quickly and openly wherever possible. Regular practice is to direct such inquiries to management (preferably through Board Services) for handling in accordance with standard business procedures. The contact may be made by correspondence, an electronic communication, or a personal conversation. The Board believes the TVA decision-making process needs to be fair, transparent, and even-handed, and certain requests from influential people asking for something of private benefit should be subject to heightened transparency as explained in Section C below.

B. Risk
Influential people may use access to a member of the Board of Directors to seek special treatment, access, or attention for personal or private gain through the Board's exercise of its statutory authority to establish TVA's goals and objectives. This risk is generally mitigated by the fact that, with very limited exceptions, the Board does not engage in any direct executive activity. The Board must, nevertheless, remain aware that the exercise of its duties is a public trust and that some types of contacts could potentially call into question the impartiality of TVA's activities and policies.

C. External Inquiries from "Covered Persons" for Private Benefit
Directors are encouraged to route any inquiry from an external party to Board Services for record-keeping purposes. If a Director receives a specific request for a "Thing of Value" from a "Covered Person," both as defined below, the request should be reported to Board Services for further documentation. Board Services will inform the Ethics staff and the OIG of any such request.

Board Services will also inform the Ethics staff and the OIG of any specific request that may not fall within these definitions if a Board Member requests the matter be treated under this practice. A Board Member may choose to treat the matter under this practice if he or she believes that a request may potentially compromise the impartiality of a decision, either in fact or in appearance.

For as long as each request is active, the Ethics staff shall be given access to all written correspondence to and from the "Covered Person" (as such term is defined below) regarding such request. Upon request, the OIG will also receive a copy of all correspondence related to such request.

Covered Persons
A "Covered Person" is any of the following individuals seeking or requesting official action from TV A for his or her personal benefit:

- An elected government official or a candidate to an elected government office (whether federal. state, or local);

- A senior management level employee of an entity that regulates TV A or its activities;

- A senior management level employee of a power customer of TVA;

- A current TVA officer (Vice President or above) or Board Director or a former TVA officer or Board Director for one year after such person's last date of service with TVA:

- A current member of a TVA council created pursuant to the Federal Advisory Committee Act ("FACA"), such as the Regional Resource Stewardship Council ("RRSC") or Regional Energy Resource Council ("RERC"); or

- The spouse or dependent child of any of the above individuals.

When a corporation or other non-government entity is asking for a Thing of Value, the entity will be considered a Covered Person if:

- A person dealing with TVA on behalf of the entity would be a Covered Person as described above; or

- A person known to have a significant financial interest in the entity would be considered a Covered Person if such person were making the request directly.

Things of Value

A "Thing of Value" for the purposes of this Board Practice is:

- Any interest in real property held by TVA in the name of the United States;

- Any request for a Section 26a permit;

- Any of the following with a monetary value greater than $25,000;
  - A sole-source contract
  - A donation
  - Any surplus or excess property

- Any non-routine financing transaction (to include but not limited to loans, purchases or sales of real or personal property, whether by or from TVA) in excess of $5 million.

The notification procedures in this Board Practice do not apply to requests made by government entities (e.g .. Tennessee Department of Transportation or City of Knoxville) or in the normal course of an elected official's duties, such as constituent referrals or actions or requests made explicitly on behalf of a government entity.

Other Provisions

In recognition that the Board's review of individual requests has the potential to create the appearance of partiality, specific information under this Board Practice will be provided to the Board only upon request. The Audit, Risk. and Regulation Committee will review the overall Board Practice and related TVA programs on an annual basis and summary information designed to limit this risk will be provided to the Committee.

In the absence of clear and direct knowledge of someone being a "Covered Person" or such knowledge of the Covered Person's associations, a Director is not obligated to notify the Ethics staff, the OIG or Board Services. A Director is not expected to research someone's "Covered Person" status or any relation to a Covered Person in the absence of such knowledge. Covered

Persons contacting the Board do not need to be asked to complete any additional documents or otherwise provide information that is not voluntarily offered.

Approved by the Board of Directors of the Tennessee Valley Authority
August 23, 2017

TVA Board Practice
Implementation and Contract Authority

Set forth below are certain authorities of the Chief Executive Officer (CEO) arising generally under Section 3.2(i) of the ***Bylaws of The Tennessee Valley Authority***, including the authority to approve contracts for the purchase, disposal, or sale of products, services, and fuel, including related transportation, processing, storage, and services (Procurement Contracts).

The CEO shall have all necessary authority to:

1. Implement projects, programs, and activities approved by the Board, so long as such implementation is within the parameters of the approved budget for such actions and within the scope and description of the Board-approved project, program, or activity; and

2. Approve any Procurement Contract, regardless of amount, with delivery periods of up to 30 years and terms of up to 40 years, which is to be funded through the annual budgets approved by the Board, provided that for any Procurement Contract covered by the Commercial Transactions Contracting Plan (or any successor plan) that is approved as part of the Board's budget review, the Procurement Contract either substantially conforms to such Plan or does not exceed $50 million in contract amount.

Notwithstanding the foregoing, the CEO may determine that a Procurement Contract should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

This TVA Board Practice supersedes the Standard Format for Approval of Delegations of Authority Board Practice (approved August 20, 2008) and the Procurement Contract Approvals Board Practice (approved November 30, 2006), and supplements the Fuels, Power Purchases or Sales, or Related Contract Approvals Board Practice (approved November 17, 2011) to the extent such practice applies to fuel and fuel-related transactions.

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Approved by the Board of Directors of the Tennessee Valley Authority
November 14, 2019

Amended August 20, 2026

TVA Board Practice
TVA Membership in External Organizations

Background
The Board acknowledges that TVA maintains corporate membership in a diverse array of external organizations. These organizations typically have specialized expertise in a particular area, provide unique services, and bolster TVA's ability to carry out projects or activities, or otherwise advance the TVA mission in some appropriate manner.

The Board believes that membership and participation in such external entities can assist TVA in the pursuit of its goals and that paying dues. membership fees. or other financial contributions to these organizations is an appropriate use of resources. The Board also recognizes that such financial contributions must not be used for purposes inconsistent with TVA's statutory mission or legal obligations.

By adopting this TVA Board Practice, the Board is providing more definitive guidance to the CEO as to limitations that should be applicable to TVA's participation in external organizations.

Guidance
TVA may generally participate in any external organization that it determines can assist TVA in the advancement of its statutory or corporate mission through the payment of dues, membership fees, or other participatory contributions. These organizations will not lobby on behalf of TVA or represent TVA in litigation without specific authorization to do so.

To the extent possible, TVA shall require language in any membership agreement limiting the ability of an external organization to use TVA resources for a purpose inconsistent with TVA's authorizing legislation; such prohibited activities shall include lobbying efforts and litigation without specific authorization.

Approved by the Board of Directors of the Tennessee Valley Authority
November 10. 2016

TVA Board Practice
Notational Approvals

Background
Section 1.8 of the **Bylaws of The Tennessee Valley Authority** provides that the TVA Board may take action by a majority vote of all Members, at times other than during a Board meeting, by notational approval by individual Board Members, subject to the following requirements:

- Personal notice of the notational item is provided to individual Board Members by electronic mail or as otherwise specified by individual Board Members;

- Board Members have at least three calendar days within which to submit their individual votes. The Board Chair, or the Chair of the recommending committee, may specify a longer voting period.

By adopting this **TVA Board Practice**, the TVA Board wishes to set forth supplemental policies, processes, and criteria to govern the notational approval process.

Guiding Principle
The notational approval process allows the Board to take timely and appropriate action on matters between Board meetings. This notational approval process must support the Board in its exercise of careful and prudent oversight and its ability to lead TVA with integrity and transparency.

Criteria for Notational Approvals
Except as may otherwise be approved by the Board Chair, a proposed action item must meet one or more of the following criteria in order to be eligible for notational consideration by the Board. The Board approval memorandum which transmits any action item for notational approval must designate one or more of these criteria as being applicable and must provide appropriate supporting information to inform the Board as to the basis for such applicability.

1. Time Sensitive

a. Deadline -- *Example*: An externally-established deadline for TVA action will expire before the date of the next scheduled Board meeting, with no reasonable opportunity for obtaining an extension.

b. “Fleeting Opportunity” -- *Example*: An uncertain amount of time exists during which TVA will have a chance to take advantage of an opportunity before it is seized by another or otherwise will cease to exist.

c. Negative Cost/Value Trend -- *Example*: The passage of time will likely cause TVA’s costs to increase or the value to TVA of approving the action item to decrease.

2. Confidential

a. Individual Privacy -- *Example*: Action item includes personal information about one or more individuals, which either is protected under the Privacy Act, is otherwise exempt from disclosure under the Freedom of Information Act (FOIA), or is otherwise considered sensitive.

b. Other's Proprietary/Confidential Information -- *Example*: Action item includes information that is proprietary/confidential information of a party other than TVA which is either prohibited from disclosure under the Trade Secrets Act or exempt from disclosure under FOIA.

c. TVA's Proprietary/Confidential Information -- *Example*: Action item includes information that TVA considers to be "business sensitive" or to be proprietary/confidential, including information which would be otherwise exempt from disclosure under FOIA.

Voting Process

1. Personal Notice to Individual Board Members

The Chief Executive Officer, in consultation with the appropriate Committee Chair when applicable, will assure that a process is in place under which all Board Members are personally notified when any action item is being provided to them individually for notational approval.

2. Optional Pre-voting Review Period

For each action item being proposed for notational approval by the Board, the Chair of the Committee proposing the approval, or the Chair of the Board in the absence of a Committee recommendation, may specify a number of calendar days during which individual Board Members will have the opportunity to review the proposed action item and make inquiries and/or comments in advance of a specified date on which notational voting will commence.

In the absence of such a pre-voting review period, voting shall commence on a notational approval action item on the day on which that action item is provided to the individual Board Members.

3. Voting

Board members shall vote by signature. An electronic signature, whether digital or encrypted, adopted by a Director with the intent to sign shall have the same effect as a manual signature. Any document transmitted and/or signed by digital signature shall have the same effectiveness as a manually-signed original. Manual signatures scanned to PDF or a similar format shall have the same effectiveness as a hard-copy signature. The evidence and record of such approvals shall be filed with the records of the next Board meeting.

Openness and Transparency

In a manner consistent with the requirements of applicable Federal law and subject to any direction from the Board set forth in the approval, the Chief Executive Officer shall assure that disclosure to the public is made of those action items that have been notationally approved by the Board in the following two ways:

1. **Board Meeting Agendas** -- Each action item notationally approved by the Board between Board meetings shall be disclosed and appropriately identified as an “Information Item” on the agenda for the upcoming Board meeting, which is required by the Government in the Sunshine Act to be published in the Federal Register at least one week in advance of the meeting.

   The Chief Executive Officer, in consultation with the appropriate Committee Chair when applicable, shall further assure that TVA is prepared to respond, in a manner consistent with the limitations of applicable Federal law, to public inquiries about any notational approval item that appears as an “Information Item” on the agenda for a Board meeting.

2. **Board Meeting Minutes** -- Each action item notationally approved by the Board between Board meetings shall be disclosed and appropriately identified in the Minutes of the next public Board meeting, which Minutes shall be publicly available.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

Amended May 7, 2020

TVA Board Practice
Real Property

Background
Section 3.2 of the Bylaws of the Tennessee Valley Authority (TVA) provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that a routine part of maintaining continuity and/or reliability of ongoing operations to achieve TVA's mission involves the acquisition, disposal, and management of real property and real property interests including, but not limited to, fee-simple, easement, and leasehold interests (real property and the various real property interests are collectively referred to as "real property"), and/or facilities and equipment broadly associated with real property. By adopting this TVA Board Practice, the TVA Board desires to provide more definitive guidance to the CEO as to what real property acquisition, disposal, and management actions the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the Bylaws.

Guidance

Acquisitions
The CEO, or their designee, has the authority to approve:

- Acquisitions of real property that implement projects, programs, and activities approved by the Board, so long as such acquisition is within the parameters of the approved budget for such action and within the scope and description of the Board-approved project, program, or activity.

- Acquisitions of real property where the purchase price (or aggregate amount of lease or easement payments) does not exceed $50 million. Such amount will increase to match any increases in the CEO's authority to approve capital projects not specified by line-item in a Board-approved budget, as set forth in the Capital Projects Approvals Board Practice or any replacement Board Practice or policy approved by the Board.

- The filing of condemnation cases directly associated with previously approved and budgeted projects or activities.

Conveyances
The CEO, or their designee, has the authority to approve:

- Conveyances consisting of real property and/or facilities and equipment valued at $4,000,000 or less for any purpose.

- Conveyances of non-bulk electric system assets or natural gas lateral pipelines serving TVA plants involving real property and/or facilities and equipment when any real property involved is valued at $4,000,000 or less and any facilities and equipment involved are valued at $25,000,000 or less.

- The transfer of 20 miles or less of transmission lines (including real property and/or associated facilities and equipment) to distributors of TVA power.
- The renewal of existing easements and leases.

- Grants of easements to public entities for infrastructure and utilities (wastewater, water, sewer, roads, etc.).

Management
The CEO, or their designee, has the authority to:

- Approve, following an opportunity for Board review, reservoir land management plans and modifications thereto, whose allocations, when combined with other approved plans, are within the ranges provided for in each zone in the updated Comprehensive Valleywide Land Plan.

- Make administrative changes to reservoir land management plans solely for the purpose of correcting land planning errors and mistakes, including allocation changes to reflect legal instruments in existence, but misinterpreted or overlooked, at the time of planning and to correct mapping errors which have misidentified TVA land ownership.

- Revise reservoir land management plans to change the allocation of parcels from Industrial/Commercial or Developed Recreation to Shoreline Access where general ingress and egress rights exist across TVA real property, provided such change is consistent with any restrictions in the deed regarding those rights.

- Adopt policies and procedures regarding the acquisition, disposal, and management of real property, establish and affirm a governance framework for real property matters, and guide the multiple TVA business units who have responsibility for managing TVA's real property.

- Take such other actions as the CEO deems necessary for the management and administration of TVA's real property.

The General Counsel shall have the opportunity to review all real property approvals and legal instruments for the purpose of determining compliance with applicable laws and rules. Each legal instrument shall be in such form as the General Counsel shall approve, subject to such terms and conditions as may be necessary to cover and protect TVA's statutory obligations, program requirements, and other interests.

Notwithstanding the foregoing delegations, the CEO may determine that a real property matter should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

Any actions approved pursuant to this Board Practice are subject to completion of applicable environmental reviews and must conform to standard business practices for these types of actions that are satisfactory to the CEO. The Board reserves its authority to approve broad strategies affecting real property and real property transactions that are not within the requested delegations.

This TVA Board Practice supersedes all prior delegations from the Board regarding the acquisition, disposal, and management of real property including TVA Code V, as amended, and all of the delegations from May 18, 2018, and November 4, 2010, to the CEO from the TVA Board, and the delegation from August 23, 2017, to the CEO from the TVA Board regarding reservoir land management plans. The existing authority of the General Counsel with regard to settlement of condemnations cases is unchanged by this Board Practice. All existing Board and management

approved practices and policies related to real property remain unchanged by the adoption of this Board Practice, except Code V is superseded in its entirety. The Board acknowledges and re-affirms the importance of TVA's real property portfolio and has developed policies which reflect that TVA's lands and real property, typically held by the United States, are critically important resources to the region and should be handled with care and deliberation.

Approved by the Board of Directors of the Tennessee Valley Authority
February 10, 2022

TVA Board Practice
Sensitive and Confidential Information Security and Management

Background
The Federal Records Act. 44 U.S.C. Chapter 31, requires that all federal agencies, including TVA, "preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency." 44 U.S.C. § 3101. In conjunction with the Federal Records Act, the Freedom of Information Act (FOIA), 5 U.S.C. § 552, provides that outside people may request full or partial disclosure of government records except for certain categories of sensitive or confidential records which may be exempt from disclosure.

By adopting this TVA Board Practice, the TVA Board wishes to set forth supplemental policies, processes, and criteria to govern the retention and protection of records and communications involving the TVA Board and to guide and direct Management, Board Committees, and individual Board Members as to how to properly manage such information.

Guiding Principle
TVA and the Board seek to be open and transparent to the public, including through the FOIA process, to the maximum extent possible. However, from time to time the Board is required to discuss and consider sensitive and confidential information that must be retained pursuant to the Federal Records Act, but that may also be protected under TVA policy or be exempt from release under FOIA. Thus, TVA efforts to properly retain the communications and records of the TV A Board must be conducted in a manner that also protects sensitive and confidential information.

Definition of Sensitive and Confidential Information
FOIA (at 5 U.S.C. § 552(b)) provide nine (9) exemptions from its general requirement that government records be available for release to the public for certain types of sensitive and confidential communications and records. Among these exceptions are:

1. Personal. private information about individuals, including both employees and members of the public;

2. Confidential business information. trade secrets, contractor bid or proposal information, and source selection information;

3. Law enforcement information;

4. Potential security vulnerabilities;

5. Privileged attorney-client communications and attorney work product; and

6. Communications, including emails. that form part of the internal deliberative processes of TVA and/or other agencies of the U.S. Government.

For purposes of this Board Practice. "sensitive and confidential information" includes written and electronic documents and communications that appear to be protected from disclosure under FOIA or any other law of the United States. This definition includes all items that have been marked as TVA Confidential. TVA Restricted, or TVA Sensitive as well as un-marked items that could reasonably be seen as being sensitive or confidential.

Written Sensitive and Confidential Information
Individual Board members will protect sensitive and confidential information that is written or is otherwise physically tangible (such as videotape, photographs. etc.) from disclosure either during or after service as a Director of TV A.

Electronic Sensitive and Confidential Information
Sensitive and confidential information that is in an electronic format, including emails and text messages. will also be protected in the same manner as written information. Due to the unique nature of electronic communications, these processes will also be followed:

1. Electronic materials that contain sensitive and confidential information (as well as electronic communications. such as emails, attaching these) will be transferred to. from, and/or between members of the TVA Board by way of secure portal or encrypted email;

2. Electronic communications to, from, and/or between members of the TVA Board discussing or related to sensitive and confidential information (whether other documents are attached or not) will be sent by through a secure portal, an official TV A email system or through personal email accounts that meet security requirements provided by TVA information technology security officials;

3. TV A Board members may use unencrypted personal email and text messaging accounts for routine non-sensitive/non-confidential communications;

4. To avoid conflicts with other disclosure laws, TVA Board members will not utilize email addresses that may be subject to disclosure requirements broader than federal law. such as some state and local government entities, for any TVA business;

5. As required by 44 U.S.C. § 2911. any email or text message sent to. from. and/or between a personal email or text messaging account of a TVA Board member that relates to official TVA business (whether sensitive and confidential or routine) will be copied to the Board Member's official TV A email account address at the time the email or message is initially sent. or will be forwarded to that email account address as soon as reasonably practicable.

Training
Members of the TVA Board and all non-TVA employees who have access to confidential information on a Director's behalf will receive information, at least annually, on the requirements of this Policy.

Approved by the Board of Directors of the Tennessee Valley Authority
February 11, 2016

TVA Board Practice
Approvals of Settlements of Claims and Litigation

Background
Section 3.2(i) of the Bylaws of The Tennessee Valley Authority provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that claims and litigation are routinely brought by or against large corporations like TVA (or against its employees acting in their official capacities) as part of day-to-day operations and that it is often the most cost-effective alternative to settle disputed claims and litigation to limit exposure or in lieu of engaging in protracted and expensive litigation in the court system.

The Board acknowledges that the settlement of condemnation cases is governed by a long-standing, separate specific delegation to the General Counsel, subject to the concurrence of Realty Services. The guidance set forth in this TVA Board Practice regards the extent of the CEO's authority, under section 3.2(i) of the Bylaws, to settle such claims and litigation on behalf of TVA.

By adopting this TVA Board Practice, the Board is providing more definitive guidance to the CEO as what types of disputed claims and litigation the Board generally considers to be within the scope of the CEO's settlement approval authority under the Bylaws, with the exception of condemnation cases for the reason noted above.

Guidance
- The CEO may approve the settlement of any disputed claim or litigation by or against TVA or against TVA employees involving the payment of $15,000,000 or less on disputed amounts, except condemnation cases. In addition, the CEO may approve settlements in which TVA agrees to undertake specific actions, including capital projects, which are otherwise within the CEO's authority.

- The committee with risk oversight shall be informed of any such settlement approved by the CEO which involves a payment in excess of $1,000,000 on disputed amounts.

- Notwithstanding the foregoing, the CEO may determine that a proposed settlement of a disputed claim or litigation by or against TVA or TVA employees should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

- The General Counsel shall prepare periodic, comprehensive reports on the status of all pending claims and litigation involving TVA and provide such reports to the committee with risk oversight.

Approved by the Board of Directors of the Tennessee Valley Authority February 15, 2008
Amended May 7, 2020

TVA Board Practice
TVA Employee Compensation

I. Background

Section 3.4 of the TVA Bylaws specifies the Board's role with respect to compensation, as defined in Section 2 of the TVA Act. This Board practice clarifies the role of the Board, the Committee responsible for compensation matters ("Committee"), and the CEO with respect to compensation decisions for the CEO and other TVA employees.

II. Compensation Plan

In accordance with the provisions of Section 2(i) of the TVA Act, the Board, on the recommendation of the Committee, shall approve a compensation plan that specifies all compensation (including salary or any other pay, bonuses, benefits, incentives, and any other form of remuneration) for the CEO and employees of the Corporation.

The compensation plan shall state the Board's philosophy with respect to TVA's compensation program and meet the minimum requirements of the TVA Act—i.e., the compensation plan shall be based on an annual survey and consider certain factors as required by Sections 2(i)(2) and 2(i)(3) of the TVA Act. In approving the compensation plan, or any amendments thereto, the Board may rely upon the recommendations and advice of an independent compensation consultant. The compensation plan will be reviewed at least once annually by the Committee to determine if any changes should be recommended to the full Board.

III. CEO and CEO Direct Report Compensation

Consistent with the TVA Act, the Board shall approve all compensation (including salary and any other pay, bonuses, benefits, incentives, and any other form of remuneration) of the CEO and of all managers and technical personnel that report directly to the CEO (including any adjustment to compensation).

A. CEO Compensation.

1. CEO Compensation Design. The Board shall establish the CEO's salary and other compensation elements on an annual basis. The Chair of the Committee, with concurrence of the Board Chair and input from other members of the Board, as appropriate, shall establish the annual performance goals of the CEO.

2. CEO Compensation Payout. The Chair of the Committee, with concurrence of the Board Chair and input from other members of the Board, as appropriate, shall determine the CEO's annual performance rating in accordance with the approved goals. The Committee shall recommend to the full Board payouts to the CEO under any specific or supplemental plans for which the CEO is a participant.

B. CEO Direct Report Compensation.

1. CEO Direct Report Compensation Ranges. Following review by the Committee, the Committee Chair annually approves total compensation ranges for the CEO's executive direct reports. The total compensation ranges will be informed by benchmarking and based on a review of market data and an annual recommendation from the Committee's independent compensation consultant, as

consistent with the Board-approved Compensation Plan. Ranges are typically set at 80 percent to 110 percent of the targeted total compensation for comparable positions based on TVA's peer group and relevant benchmarking data.

2. CEO Direct Report Compensation Adjustments. Following annual approval by the P&G Committee Chair, the CEO may set or adjust the total eligible compensation of the CEO's present or future executive direct reports within such ranges after informing the Committee's independent compensation consultant and the P&G Committee Chair. The P&G Committee Chair has the discretion to reject any compensation actions proposed by the CEO pursuant to this section.

3. CEO Direct Report Compensation Annual Payout. The CEO shall establish the annual performance goals for his or her direct reports. The CEO shall rate the performance of his or her direct reports and set forth any individual multiplier (if applicable under the plan). Prior to finalizing end of year payout for the CEO's direct reports, the CEO shall review CEO Direct Report performance with the Committee and will inform the Committee of any discretion under consideration. After informing the P&G Committee Chair and the Committee's independent compensation consultant, the CEO determines final payouts under supplemental compensation plans in accordance with their approved terms.

IV. Supplemental Compensation Plans (short- and long-term incentives, retirement, deferred compensation, and severance)

A. Approval of Metrics under Supplemental Compensation Plans. The Board shall approve any metrics used to measure performance under supplemental compensation plans and shall approve payouts under those plans.

B. Approval of Plans (including amendments or changes to Plans). To the extent that the CEO is not entitled to benefits under a supplemental compensation plan, then the CEO, or his or her designee, may approve the terms of those plans and any amendments thereto so long as the plans are consistent with the Board's approved Compensation Plan and any other guidance provided by the Board. The Board shall ensure that it retains the authority to amend or terminate supplemental compensation plans at its discretion, so long as an amendment does not impair any legally protected rights of a participant created by those plans or applicable laws.

C. CEO Participation in Supplement Compensation Plans. To the extent that the CEO is entitled to non-salary compensation benefits under supplemental compensation plans, the Committee Chair with concurrence of the Board Chair shall approve the terms of those plans and any amendments thereto if they are applicable to the CEO position. Except as otherwise provided in this Board Practice, the CEO, or his or her designee, can approve participation in these plans for any other participants.

D. With respect to any matters affecting the CEO under such plans, the administrator shall be the TVA Board or its designee. The CEO (or his or her designee) may be the administrator of the plans for matters affecting all other employees who are participants in such plans.

V. Salaries in Excess of Level IV

Except as otherwise provided in this Board Practice, the CEO, or the CEO's designee, shall have authority to recommend and approve the salaries of employees whose salaries would be in

excess of the annual rate payable for positions at level IV of the Executive Schedule under section 5315 of title 5 of the United States Code, as long as the CEO has the authority to approve those salaries in accordance with this Board Practice and the CEO provides the Committee a list of names and salaries for all such employees at least once annually.

VI. Compensation Discussion and Analysis

The Committee shall review the Compensation Discussion and Analysis (CD&A) section of TVA's annual report on Form 10-K and, based on that review, recommend to the Board the inclusion of the CD&A in TVA's Form 10-K.

VII. Tennessee Valley Authority Retirement System

With respect to matters affecting the Tennessee Valley Authority Retirement System (TVARS), the Board shall:

- approve all annual contributions of TVA to TVARS;

- receive notice of any amendments to the TVARS Rules and Regulations and the 401(k) Plan Provisions approved by the TVARS Board that have a direct cost impact on TVA or that increase the liabilities of TVARS and elect whether to veto or not to veto such amendments during a 30-day window following receipt of notice of amendments from TVARS; and

- receive notice of any change in asset allocation that would change TVARS' assumed rate of investment return and elect whether to veto or not to veto such change during a 60-day window following receipt of notice of any such change from TVARS.

All other compensation matters that are not herein specifically reserved to the Board, a member of the Board, or the Committee are delegated to the CEO.

This TVA Board Practice supersedes the previously approved Compensation Delegations, the "Roles" section of the Compensation Plan, and any other Board resolutions that delegate authority involving compensation matters.

Approved by the Board of Directors of the Tennessee Valley Authority
May 2024 (Reflects recommendations after Executive Compensation Task Force review)

Amended August 2024 to add provisions around CEO Direct Report Compensation oversight

TVA Board Practice
Use of TVA Aircraft

Background
This practice sets forth general guidelines for use of TVA aircraft by members of the TVA Board of Directors (Board), executives, and employees. For purposes of this Board Practice, "TVA aircraft" shall mean aircraft owned, leased or otherwise chartered by TVA for use by TVA Directors, executives, or employees.

Any material exceptions to this policy should be approved (in advance when practicable) by agreement between the Chair of the Board and the Chief Executive Officer (CEO).

General Guidance

1. TVA aircraft are to be used only for official TVA business purposes.

2. The Board authorizes individual Directors, the CEO, senior executives who report directly to the CEO, and their direct reports to conduct travel for business purposes on all TVA aircraft between their official duty locations or a nearer location and temporary duty locations. These individuals can authorize other TVA personnel to use the aircraft as specified in written TVA policies.

3. Business justifications for use of aircraft must be documented and maintained by TVA for a reasonable period of time.

4. The Board recognizes that the use of TVA aircraft for travel may be required because of a need to communicate in a secure setting while traveling, or to satisfy scheduling requirements dictated by short-notice travel, multiple destinations, or limited available time, which makes commercial transportation unacceptable.

5. The CEO or an executive designated by the CEO (CEO designee) shall ensure processes and procedures are in place to govern the use of TV A aircraft for travel and other purposes.

Board Guidance

6. It is the responsibility of TV A to make transportation arrangements for Directors to travel to Board and Board Committee meetings and official meetings and functions from their official duty station, typically a Director's primary residence. Accordingly, transportation of Directors to attend such meetings and functions is an appropriate use of the TVA plane.

7. As appropriate, the Director, the CEO or the CEO designee will determine the destinations and departure/arrival times for use of the TVA aircraft.

8. A Director, in consultation with the CEO or the CEO designee, may request the use of the TVA plane for one or more "non-TVA employee" passengers so long as such travel is in connection with official TVA business and determined to be in the best interest of TVA

9. A majority of Directors in office may not travel on the same aircraft without a waiver approved by a majority of the Board.

10. The use of automobile travel or commercial flights on TV A business is acceptable and Directors will be reimbursed for the cost of these options pursuant to TVA policies.

11. From time to time, the Chair of the Board may provide additional guidance on aircraft usage.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

Amended to include authorization, documentation, and process references- February 14, 2019, Board meeting