



Board Meeting

November 7, 2024
Murray, Kentucky







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In Memoriam

A.D. Frazier

June 23, 1944 - September 23, 2024





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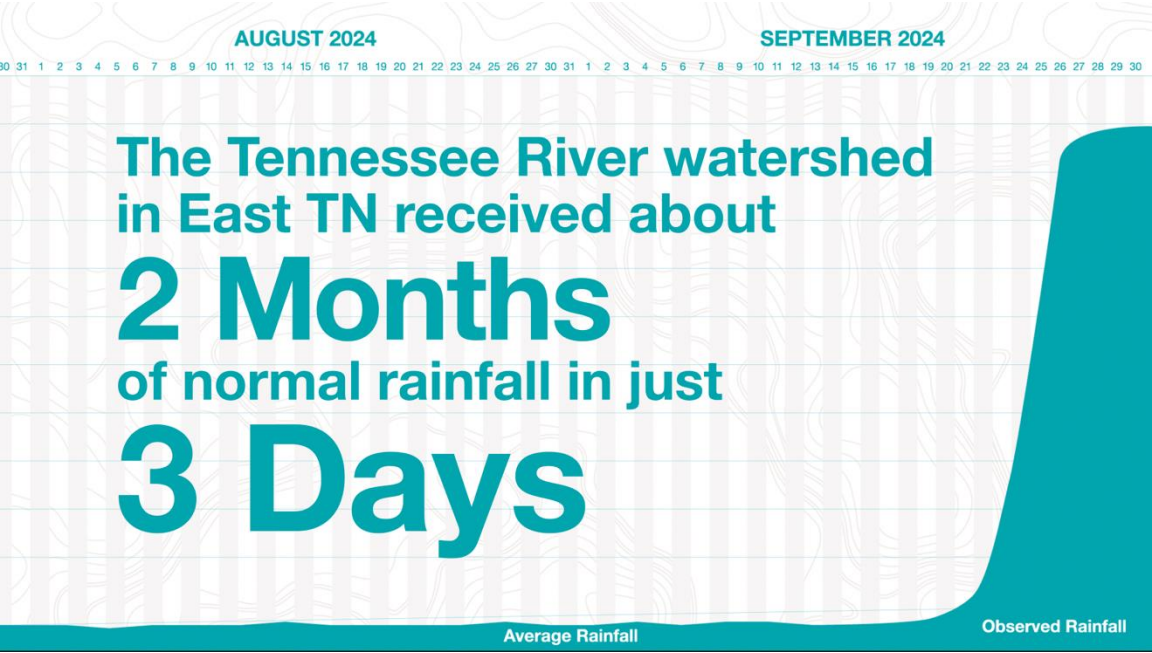


Helene Overview, Response, and Recovery

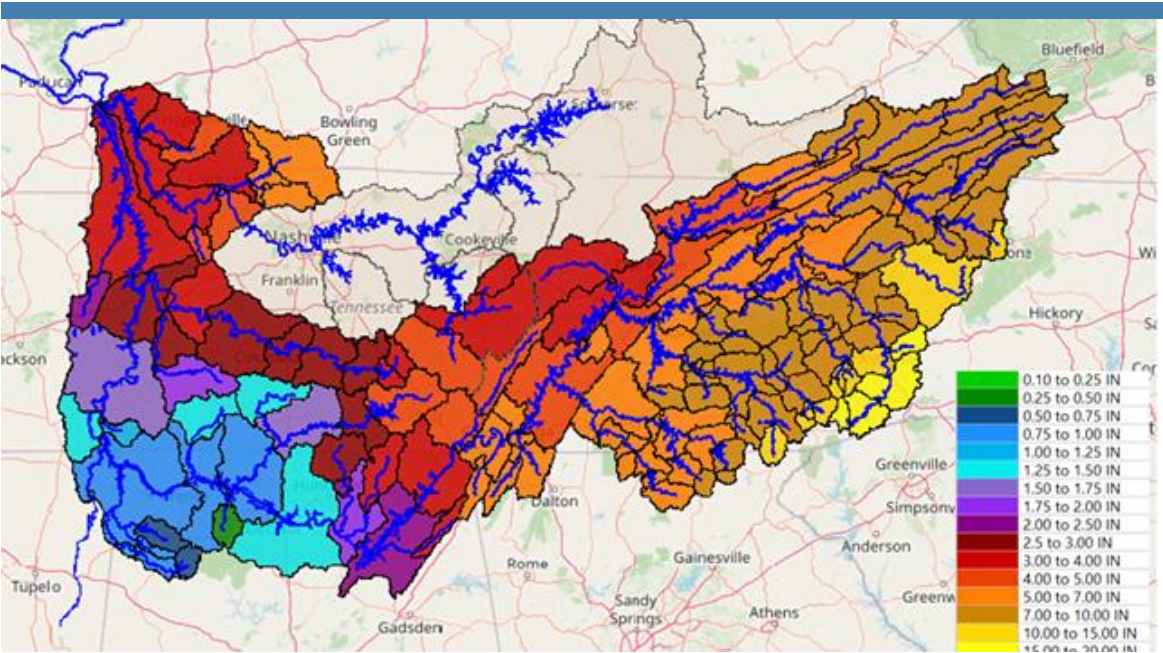
Don Moul
Executive Vice President & Chief Operating Officer

November 7, 2024

Helene Overview

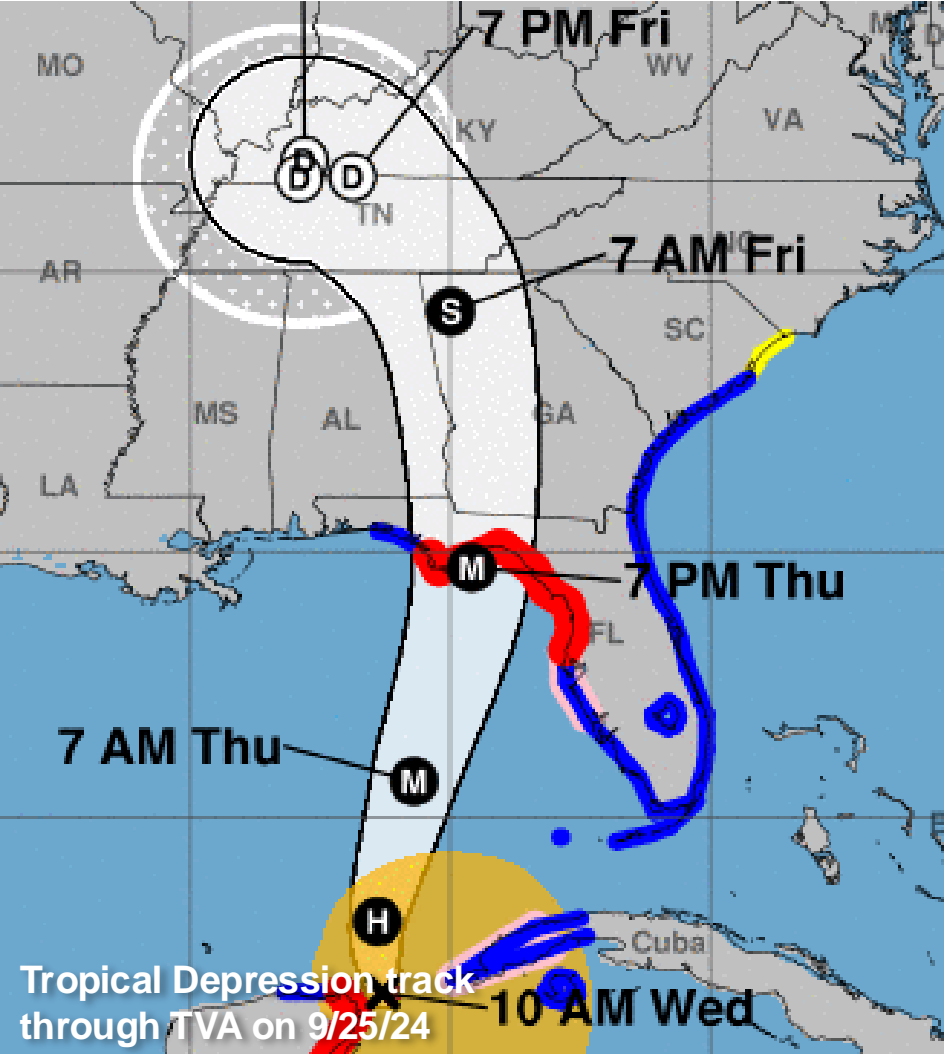


Record Rainfall



Observed Storm Total Rainfall through 0400 on 9/28

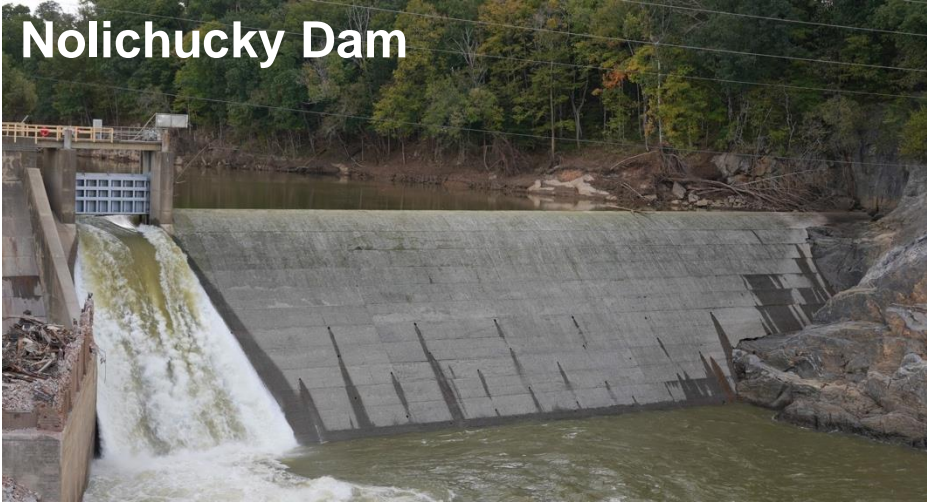
Helene Response



Dam Safety is a 24/7/365 priority. Our team and our dams were ready to respond.

Helene Recovery

Nolichucky Dam



Douglas



River Forecast Center – then and now



Continuing our commitment to managing the river and flood control



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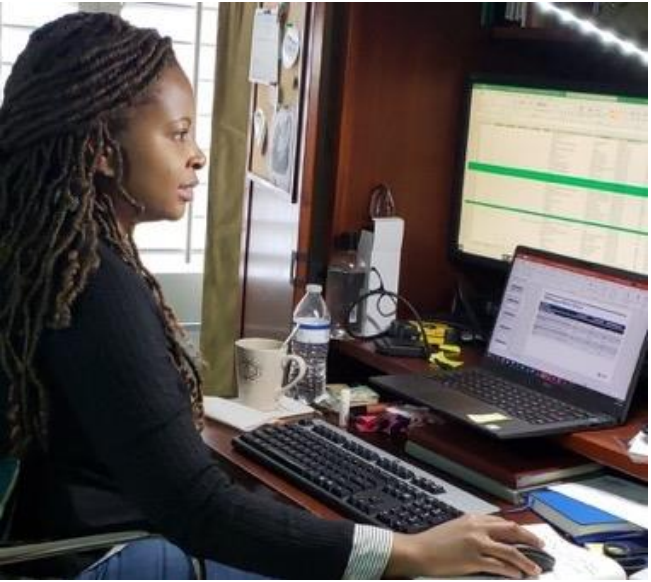
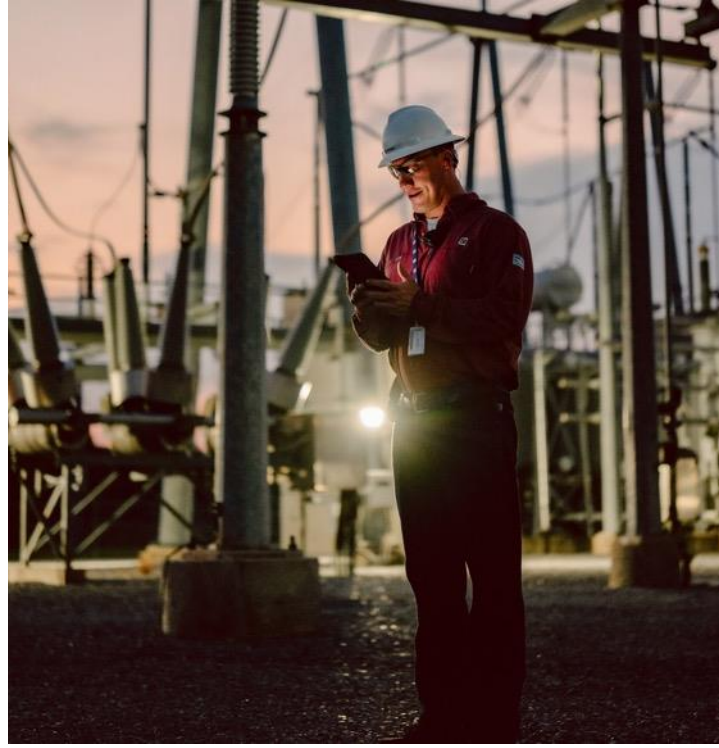
Opening Remarks

Jeff Lyash
President and CEO

November 7, 2024

Zero serious
injuries this
past fiscal
year





Managing our river system





**13,000+
hours of
volunteer
service**



Driving regional growth





**Making our
energy
cleaner**

Opening Remarks

Jeff Lyash
President and CEO

November 7, 2024



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People and Governance Committee

Brian Noland, Chair

Audit, Risk, and Cybersecurity Committee

Michelle Moore, Chair

Operations and Nuclear Oversight Committee

Bobby Klein, Chair

Operations Quarterly Update

Don Moul
Executive Vice President & Chief Operating Officer

November 7, 2024

Operations and Nuclear Oversight Committee

Bobby Klein, Chair

Nuclear Quarterly Update

Tim Rausch
Executive Vice President and Chief Nuclear Officer

November 7, 2024

External Stakeholders and Regulation Committee

Beth Harwell, Chair

Greater than 100 MW firm power arrangement with CTC Property LLC (xAI)

TVA Board Meeting

November 7, 2024

Purpose and Background

Purpose

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

Background

TVA Board approval is required to authorize TVA to make available new amounts of firm power exceeding 100 MW. CTC Property LLC (xAI) requests approximately 150 MW to support a supercomputer (Colossus) in Memphis, Tennessee that would be served by MLGW. TVA and MLGW have worked with xAI to determine the conditions under which power could be made available on the timeline requested by the company.

Project Considerations

- Load requested by Memphis Light, Gas & Water (MLGW), consistent with the wholesale power contract
- xAI has agreed to certain demand response terms in order for TVA and MLGW to make power available on the requested timeline
- xAI has met or exceeded other conditions established by MLGW
 - Energy storage solution
 - Recycled water solution
 - Positive community impact

Board Action Recommendation

Recommend Board approval of 150 MW of power supply to the new MLGW end-use customer on the requested timeline contingent upon the customer's agreement to certain demand response terms offered for similar loads.

External Stakeholders and Regulation Committee

Beth Harwell, Chair

Finance, Rates, and Portfolio Committee

Wade White, Chair

Financial Update

John Thomas
Executive Vice President and Chief Financial & Strategy Officer

Fiscal Year 2024

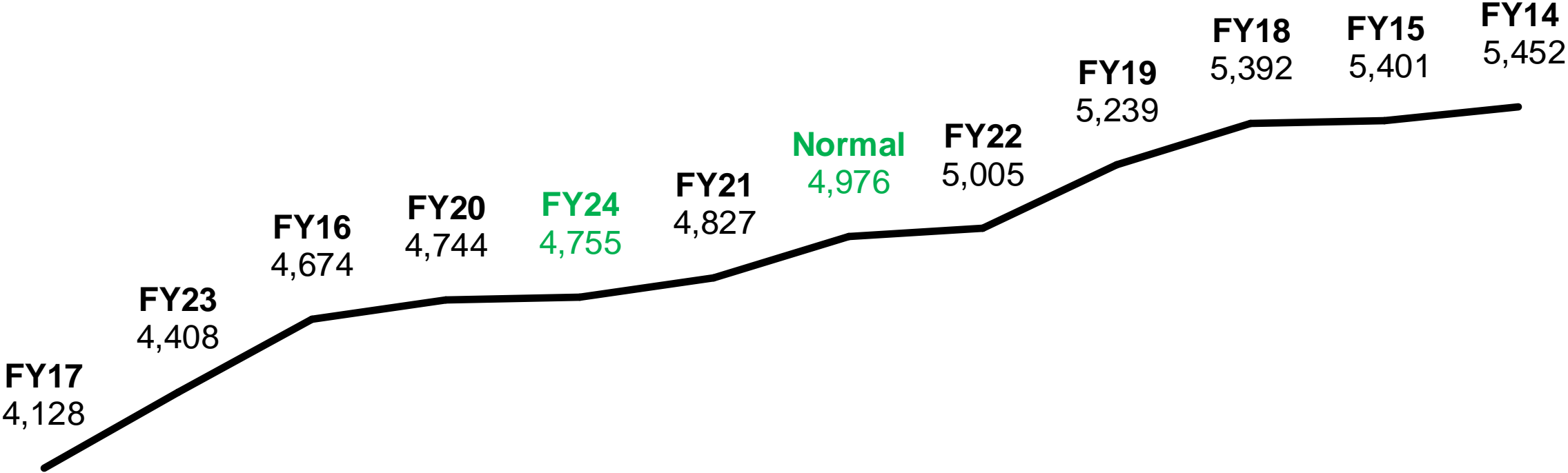
Net Income of \$1,135 million was \$261 million favorable to budget

Cash Flow from Operating Activities was \$384 million favorable to budget

Total Financing Obligations (TFO) were \$1.0 billion favorable to budget

Total Degree Days below Normal

Weather was 4 percent below normal but 8 percent higher than the prior year



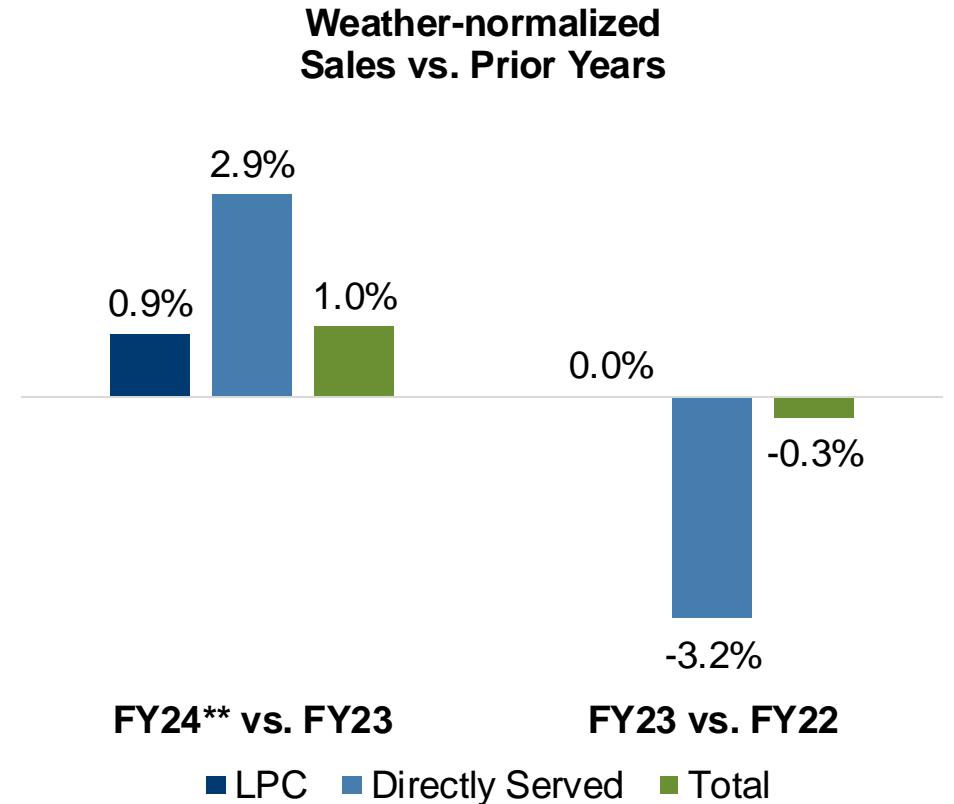
FY15-17 data has been adjusted to incorporate a change in TVA's current calculation of total degree days
Normal has been adjusted for leap year

Sales and Revenue

12 Months Ended September 30	FY24	FY23	Change	Percent Change
Power Sales (GWh)	162,933	157,311	5,622	3.6 %
Total Operating Revenues (\$ millions)	\$12,314	\$12,054	\$260	2.2 %
Base Revenue	8,725	7,863	862	11.0 %
Fuel Cost Recovery	3,398	4,025	(627)	(15.6)%
Average Base Rate (¢/kWh)	5.35	5.01	0.34	6.8 %
Average Fuel Rate	2.09	2.57	(0.48)	(18.7)%
Total Effective Rate*	7.44	7.58	(0.14)	(1.8)%

Calculations may be impacted by rounding

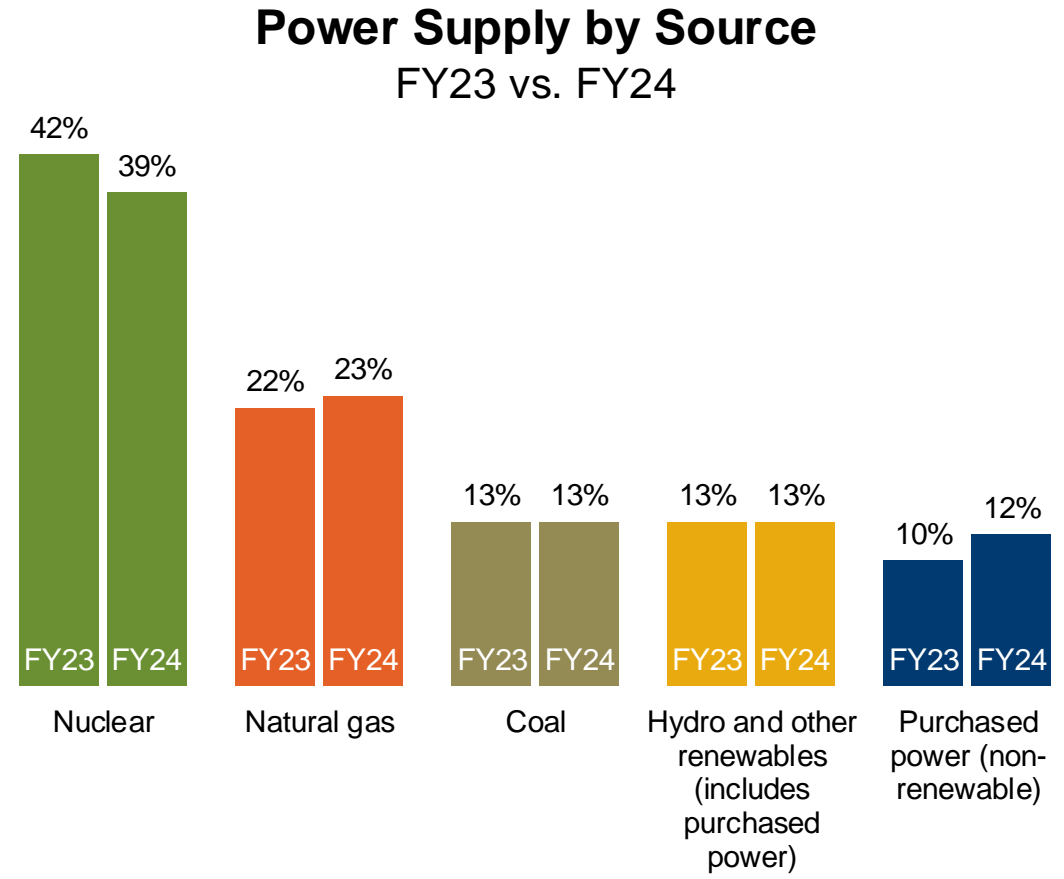
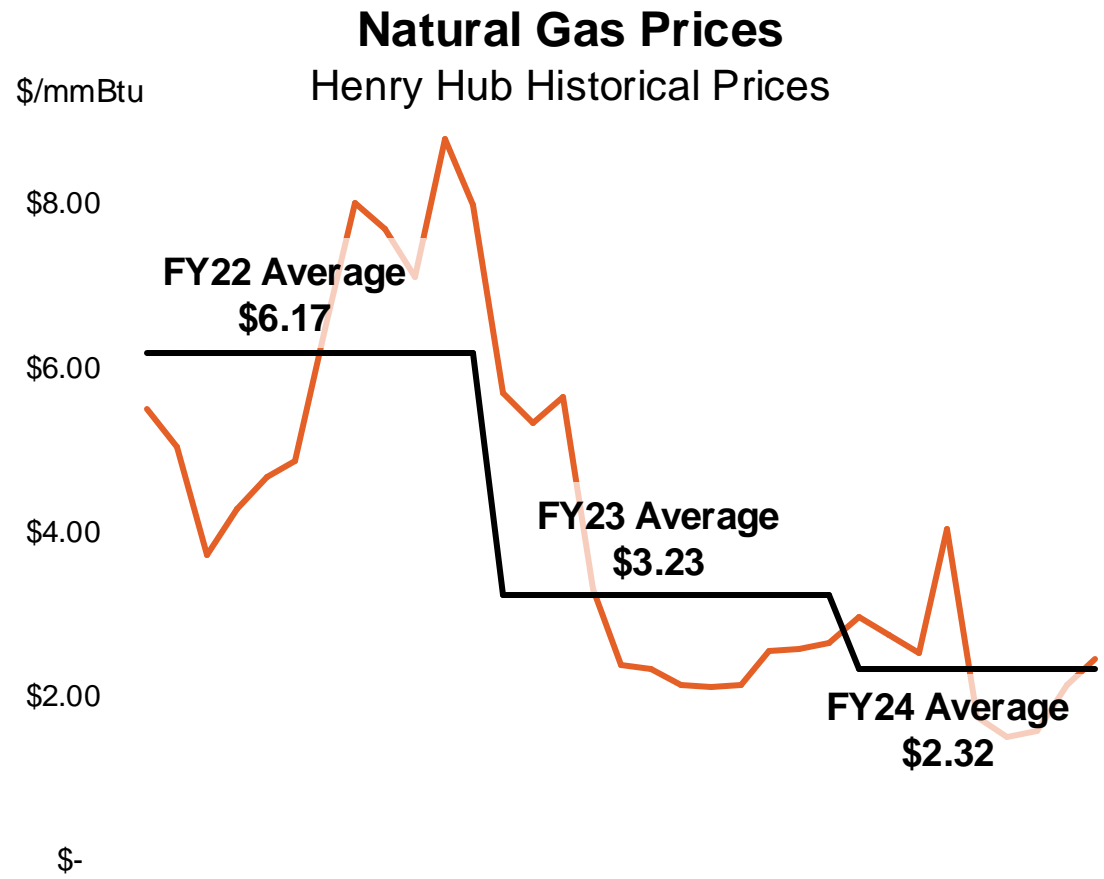
* Excludes other revenue and off-system sales impact; total effective rate numbers based on unrounded base and fuel rates



** Data adjusted to scale February to 28 days

Power Supply Summary

Benefiting from a diverse power system: 52% of power from nuclear, hydroelectric, other renewables in 2024



FY24 Summary Income Statement

\$ million	FY24			FY23	
	Actual	Budget	Variance Fav/(Unfav)	Actual	'24 v '23 Fav/(Unfav)
Base Revenue	\$ 8,725	\$ 8,680	\$ 45	\$ 7,863	\$ 862
Fuel Revenue	3,398	3,682	(284)	4,025	(627)
Other Revenue*	191	171	20	166	25
Total Operating Revenue	\$ 12,314	\$ 12,533	\$ (219)	\$ 12,054	\$ 260
Fuel & Purchased Power	3,750	4,028	278	4,182	432
Total O&M	3,641	3,584	(57)	3,372	(269)
Taxes, Depreciation, Other	2,722	2,930	208	2,944	222
Interest	1,066	1,117	51	1,056	(10)
Net Income (Loss)	\$ 1,135	\$ 874	\$ 261	\$ 500	\$ 635

* Includes off-system sales

FY24 Summary Cash Flow Statement

\$ million

Net Cash Provided by / (Used in)	FY24			FY23	
	Actual	Budget	Variance	Actual	'24 v '23
Operating Activities	\$ 3,003	\$ 2,619	\$ 384	\$ 2,872	\$ 131
Investing Activities	(3,591)	(4,168)	577	(2,994)	(597)
Financing Activities	590	1,549	(959)	123	467
Net Change in Cash	\$ 2	\$ -	\$ 2	\$ 1	\$ 1
Beginning Total Financing Obligations	\$ 20,525	\$ 20,599	\$ 74	\$ 20,336	\$ (189)
Change in Debt and Financing Obligations	678	1,633	955	189	(489)
Ending Total Financing Obligations	\$ 21,203	\$ 22,232	\$ 1,029	\$ 20,525	\$ (678)

Recap of Financial Results

For 12 months ended September 30, 2024 (comparison to prior year)

Lower effective power rate for customers

Lower fuel and energy costs offsetting base rate increase

Higher sales due to weather and industrial growth

Capital plan on track with lower debt than plan due to timing

Continued strong financial health

Finance, Rates, and Portfolio Committee

Wade White, Chair

President's Report

Jeff Lyash
President and CEO

November 7, 2024



Safety Performance

Zero serious injuries
this past fiscal year.

Clean Energy

TVA has

4,200 MWs

of solar either in operation or
contracted for development



Energy Efficiency Programs

We are investing

\$1.5 Billion

to help our region use
energy wisely





Grid Resiliency

Met the Valley's all-time peak power demand record of

34,577 MWs

during Winter Storm Heather



Energy Reliability

To meet rising demand,
TVA invested over

\$3.9 Billion

in FY 2024 to build new
generation and infrastructure
and enhance the performance
and reliability of existing assets

Economic Development

TVA helped attract
\$8.9 Billion
in projected capital investment
to the region that is expected to
create more than
10,350 jobs





Innovation

Increased investment
in SMR development to
\$350 Million

for potential Clinch
River deployment



Long-Term Future

TVA supported
completion of the

Valley Pathways Study

Connected Communities

Currently supporting
**23 pilot
programs**



Connected Communities

Currently supporting
23 pilot programs





Environmental Stewardship

We finished more than 175 stewardship projects, leveraging over 45 local, state, federal and non-governmental organization partnerships

President's Report

Jeff Lyash
President and CEO

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Statement of Support For the Guard and Reserve



We recognize the Guard and Reserve are essential to the strength of our Nation and the well-being of our communities. In the highest American tradition, the patriotic men and women of the Guard and Reserve serve voluntarily in an honorable and vital profession. They train to respond to their community and their country in time of need. They deserve the support of every segment of our society. If these volunteer forces are to continue to serve our Nation, increased public understanding is required of the essential role of the Guard and Reserve in preserving our national security. Therefore, we join other employers in pledging that:

- We fully recognize, honor and comply with the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- We will provide our managers and supervisors with the tools they need to effectively manage those employees who serve in the Guard and Reserve.
- We appreciate the values, leadership and unique skills Service members bring to the workforce and will encourage opportunities to employ Guardsmen, Reservists, transitioning Service members and Veterans.
- We will continually recognize and support our country's Service members and their families in peace, in crisis, and in war.

Joe Ritch
Joe Ritch
TVA Board Chair

Bobby Klein
Bobby Klein
TVA Board Member

Beth Geer
Beth Geer
TVA Board Member

Beth Harwell
Beth Harwell
TVA Board Member

Wade White
Wade White
TVA Board Member

Michelle Moore
Michelle Moore
TVA Board Member

Brian Noland
Brian Noland
TVA Board Member

Bill Renick
Bill Renick
TVA Board Member

Jeff Lyash
Jeff Lyash
Chief Executive Officer, TVA

John Sampa
John Sampa
National Chair, ESGR

Lloyd J. Austin III
Lloyd J. Austin III
Secretary of Defense





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TVA

**TENNESSEE
VALLEY
AUTHORITY**