

PROPOSED BOARD RESOLUTION

(Long-Term Incentive Plan Scorecard Achievement Percentage Approval for Performance Cycle Ending in Fiscal Year (FY) 2024)

WHEREAS in a memorandum dated October 16, 2024, a copy of which is filed with the records of the Board as Exhibit 11/07/24D (Memorandum), the Chief Executive Officer (CEO) outlined a proposed recommendation regarding the results of the Long-Term Incentive Plan (LTIP) Performance Measures and Goals for FY 2024 for all participants other than the CEO; and

WHEREAS on August 18, 2021, the TVA Board approved the LTIP Performance Measures and Goals for the cycle ending in FY 2024; and

WHEREAS the People and Governance Committee has reviewed the results of the LTIP Performance Measures and Goals and recommends approval of the Scorecard Achievement percentage as set forth in the Memorandum and its attachment for all participants other than the CEO;

BE IT RESOLVED, That, with regard to the LTIP performance cycle ending in FY 2024, the Board approves the results of the LTIP Performance Measures and Goals and the Scorecard Achievement percentage as set forth in the Memorandum and its attachment for all participants other than the CEO.

**Approved by TVA Board of
Directors
November 7, 2024
JLG
Assistant Secretary**

EXHIBIT 11/07/24D

October 16, 2024
CEO Organization

Board of Directors

SUBJECT

Approval of results of Long-Term Incentive Plan (LTIP) Performance Measures and Goals for the cycle ending in FY 2024 for all participants other than the CEO.

BACKGROUND

Executives and certain individuals in critical positions who make decisions that significantly influence the development and execution of TVA's long-term strategic objectives participate in the LTIP. The LTIP Performance Measures and Goals are designed to align with TVA's mission, measure performance achieved for three-year cycles, properly and competitively reward eligible participants, and help improve TVA's long-term success.

The Board established the following LTIP Performance Measures for the cycle ending in FY 2024: Non-Fuel Delivered Cost of Power, Load Not Served, External Performance Indicators for the TVA Nuclear Fleet, and Powerful Partnership Survey, which were weighted at 45%, 30%, 15%, and 10%, respectively, with the approved goals and performance outlined in Attachment A. For the three-year LTIP cycle ending in FY 2024, results were based on a three-year average of the FY 2022, FY 2023, and FY 2024 results except for those of the External Performance Indicators for the TVA Nuclear Fleet, which were based on FY 2024 results.

Long-Term Performance Incentive Awards are determined based on the results of the Performance Measures and Goals, called the Scorecard Achievement. For all LTIP participants except the CEO, the LTIP Scorecard Achievement can range from 0% to 200% for FY 2024.

The Board has the discretionary authority to review the results of Performance Measures and Goals and to approve adjustments to Long-Term Performance Incentive Awards for any or all Participants in appropriate circumstances in accordance with the terms of LTIP.

ALTERNATIVES CONSIDERED

The CEO and the People and Governance Committee members collectively considered results of the LTIP Performance Measures and Goals, along with a qualitative assessment of each LTIP Performance Measure, to determine the final LTIP payout percentage (or Scorecard Achievement) for the cycle ending in FY 2024.

The CEO recommends that the People and Governance Committee recommend that the Board approve a Scorecard Achievement percent for LTIP of 143 percent for the FY 2022-2024 LTIP Performance Cycle for all participants other than the CEO. The Scorecard Achievement percent for the CEO will be based on a separate recommendation from the People and Governance Committee.

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RECOMMENDED ACTION

Based on an assessment of TVA’s overall performance related to the LTIP Performance Measures and Goals, the CEO proposes that the People and Governance Committee recommend a 143% Scorecard Achievement percentage for the Performance Cycle ending in FY 2024 for all LTIP participants other than the CEO.



Jeffrey J. Lyash
President and Chief Executive Officer
WT 7B-K

Attachment

	October 17, 2024
David Fountain	Date

FY22-24 Long-Term Incentive Plan Scorecard

FY22-24 Cycle Actuals

Long-Term Incentive Measures	Weight	Threshold	Target	Stretch
Non-Fuel Delivered Cost of Power (ϕ /kWh) (FY22-24)	45%	3.67	3.53	3.39
Load Not Served (System Minutes) (FY22-24)	30%	4.5	3.9	3.2
External Performance Indicators for TVA Nuclear Fleet (FY24)	15%	93.5	96.0	98.5
Powerful Partnerships Survey (FY22-24)	10%	74.0	78.0	82.0
Calculated Performance				143%

Recommended Payout: 143%

On Plan
At Risk
Below Threshold

