



1101 Market Street, Chattanooga, Tennessee 37402

TVA Notice

Cleveland Utilities (CU) submitted a request for TVA to authorize a proposed investment of electric system revenues in its broadband entity, CU Fiber Optics, to support the deployment of commercial broadband. CU is subject to TVA's regulation pursuant to Section 10 of the TVA Act and the wholesale power contract between CU and TVA. TVA has reviewed CU's request and hereby gives notice that TVA has authorized CU to invest electric system revenues in CU Fiber Optics in an amount not to exceed \$8,000,000 for 20 years. TVA estimates that the total investment for both electric and commercial broadband will not have any rate impacts on consumers.

CU must enter into a use of funds agreement consistent with TVA's regulation. Specifically, the use of funds agreement will require the investment be repaid with interest and will contain risk mitigation and compliance measures designed to protect electric consumers.

If you have questions or need additional information, please contact CU's Tim Henderson, General Manager, at P.O. Box 2730, Cleveland, TN 37320, (423) 472-4521, or tjobe@clevelandutilities.com.