



1101 Market Street, Chattanooga, Tennessee 37402

TVA Notice

Lexington Electric System (LES) submitted a request for TVA to authorize a proposed investment of electric system revenues in its broadband division, LEXNET, to support the deployment of commercial broadband. LES is subject to TVA's regulation pursuant to Section 10 of the TVA Act and the wholesale power contract between LES and TVA. TVA has reviewed LES's request and hereby gives notice that TVA has authorized LES to invest electric system revenues in LEXNET in an amount not to exceed \$2,600,000 for 20 years. TVA estimates that the total investment for both electric and commercial broadband will not have any rate impacts on consumers.

LES 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 LES's Jeff Graves at 92 South Main Street, Lexington, TN 38351, (731) 968-3662, or contactus@lexingtonelectric.com.