



Executive Policy
Real Property

Policy Statement

TVA is committed to managing its real property portfolio to provide the best value to TVA and the people of the Tennessee Valley in alignment with TVA's mission of energy operations, environmental stewardship, and economic development.

Policy Intent

Management of TVA's real property portfolio should align with the following strategic guiding principles:

- Align and govern the real property portfolio with TVA's strategic direction and business needs.
- Acquire real property based on comprehensive due diligence and analysis in alignment with business needs.
- Manage real property from an enterprise perspective and invest in core assets to improve condition, safety, and utilization.
- Dispose of non-core assets that are not aligned with current or future business need to reduce cost and mitigate risk.
- Ensure real property actions are consistent with applicable laws, regulations, policies, programs, and processes.

Regulations and Policies – TVA officers, employees, and contractors should comply with the TVA Act, the TVA Land Policy, TVA policies, practices, programs, processes, and any applicable laws and regulations. Each officer, employee, and contractor is responsible for understanding these requirements and seeking timely guidance from real property experts related to strategy and transactions.

Process and Contract Standards – Business units (BU) should adhere to the real property standard programs and processes to manage, acquire, dispose, and use real property. BU-specific procedures should be developed, reviewed, and approved in accordance with real property standard programs and processes.

Contract templates for real property related agreements should be reviewed by Office of the General Counsel (OGC) to ensure legal sufficiency. Contracts must be consistent with contracting standard programs and processes unless otherwise directed by OGC and should provide for updated terms, as reviewed by OGC and Realty Services, including when options or renewals are exercised. Upon execution, contracts should be provided to Realty Services to document all legal commitments affecting real property.

Strategy and Financial Planning – Business planning and budgetary approval processes should include consideration of future real property needs and regular communication with TVA's real property strategy experts to align with real property strategy. Based on an approved business

case justification, BUs should obtain funding approval for the total ownership life-cycle cost of the real property asset.

Delegations of Authority – Real property actions should be approved and executed consistently with delegations of authority established in the TVA Board Practice - Real Property and subsequent delegations.

Applicability

This policy applies to all TVA officers, employees, and contractors.

Applicable Requirements

TVA Act of 1933

TVA Land Policy

TVA Board Practice - Real Property

TVA policies, business practices, and standard programs and processes

Federal policies, laws, and regulations

Implementation

BUs are expected to adhere to real property guidance referenced herein and be good stewards of the real property entrusted to TVA. This policy is implemented by TVA SPP 37 Real Property series and associated documents.

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