

T E N N E S S E E V A L L E Y A U T H O R I T Y

STRATEGIC PLAN

FY 2022 - 2026



February 7, 2022



SCOPE & SUPPLEMENTAL LINKS

Information included within this document is prescribed to reflect guidelines noted in the Office of Management and Budget's Circular A-11.

For additional information regarding TVA's performance and strategic direction, please see the additional reports noted below (included hyperlinks).

Document	Hyperlink
Strategic Intent & Guiding Principles	https://www.tva.com/energy-system-of-the-future
Sustainability Report	https://www.tva.com/environment/environmental-stewardship/sustainability/sustainability-report
Carbon Report	https://www.tva.com/environment/environmental-stewardship/sustainability/carbon-report
Integrated Resource Plan	https://www.tva.com/environment/environmental-stewardship/integrated-resource-plan
Natural Resource Plan	https://www.tva.com/environment/environmental-stewardship/environmental-reviews/natural-resource-plan
Annual/Quarterly Reports	https://tva.q4ir.com/financial-information/sec-filings/default.aspx

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STRATEGIC ALIGNMENT

MISSION

- Energy
- Environment
- Economic Development

VALUES

- Safety
- Integrity
- Inclusion
- Service

STRATEGIC PRIORITIES

- Powerful Partnerships
- People Advantage
- Operational Excellence
- Igniting Innovation
- Financial Strength

STRATEGIC OUTCOMES

- Strategic Objectives
- Performance Goals & Metrics



TVA'S MISSION

TVA was built for the people,

created by Congress in 1933 and charged with a unique mission – to improve the quality of life in the Tennessee Valley through the integrated management of the region's resources. As it helped lift the seven-state region out of the Great Depression, TVA built dams for flood control, provided affordable power and commercial navigation routes, restored depleted lands and raised the standard of living. As times have changed, TVA has changed with them, meeting new challenges and bringing new opportunities. Today, TVA continues to serve the people of the Tennessee Valley through its work in three areas: energy, the environment, and economic development.



ENERGY

WE POWER THE TENNESSEE VALLEY SO THAT IT MAY GROW AND THRIVE

TVA generates safe, clean, reliable and affordable power for the region's homes and businesses, working with local power companies to keep service steady and dependable.

ENVIRONMENT

WE ARE STEWARDS OF OUR REGION'S WATERWAYS AND SURROUNDING LANDS

TVA manages the Tennessee River system to provide multiple benefits to the people of our region, including flood control, clean power production, navigation, enhanced water quality and recreation.

ECONOMIC DEVELOPMENT

WE SERVE THE VALLEY BY ATTRACTING JOBS AND INVESTMENT TO OUR REGION

TVA works to attract new businesses to the Tennessee Valley, engage with communities and existing companies to grow our economy, and serve the region by partnering with state, regional and local economic development organizations to amplify jobs growth and capital investment.



OVERVIEW OF TVA

GENERAL

TVA, a corporation owned by the U.S. Government, was created by Congress in 1933 and is governed by a nine-member Board of Directors appointed by the President of the United States. TVA operates the nation's largest public power system, with power operations self-funded since 1959 and all stewardship activities self-funded since 1999. TVA supplies electricity to a population of approximately 10 million people of the 80,000-square-mile Tennessee Valley, which comprises parts of seven states in the Southeast, using over 16,000 miles of transmission lines. Also, TVA provides flood control, navigation, and land management for the Tennessee River system and partners with utilities and state and local governments to further the region's economic development.

OUR EMPLOYEES

Our greatest asset is our people. TVA employs roughly 10,000 people in the Tennessee Valley and works hard to keep them inspired and empowered to work toward our primary mission: service. TVA was founded on the belief that respect for the individual is the key to success, and we thrive on diversity — of people, talents and ideas.

OUR CUSTOMERS

TVA is primarily a wholesaler of power. TVA provides power to 153 local power companies, consisting of municipalities and cooperatives that resell the power to their customers at retail rates. As of December 31, 2021, 146 of the 153 local power companies have signed long-term partner agreements with TVA, which includes rolling 20-year contract terms, further strengthening TVA's partnerships with its customers. TVA also sells power to over 50 directly served customers, primarily federal agencies and customers with large or unusual loads, and exchange power customers (electric systems that border TVA's service area).



ENVIRONMENTAL STEWARDSHIP

TVA is an industry leader in carbon reduction, and the organization plans to continue to achieve deep carbon reduction in the decades to come—all the while, never compromising the low rates and high reliability that sustain the communities we serve. TVA's shift toward a more diverse generation mix has helped keep rates flat and has significantly reduced TVA's carbon emissions. TVA's current generation mix emitted 63% less carbon in 2020 compared to 2005 levels (measured in tons emitted). Such performance, which places TVA in the top quartile for carbon reductions nationally, can be attributed to a strategically diversified generation portfolio that relies increasingly on clean nuclear, gas, hydro, solar and energy efficiency. TVA is committed to working with our partners in the Tennessee Valley to accelerate the clean energy economy.

DIVERSE POWER SUPPLY

TVA's power generating facilities in operation as of September 30, 2021, included 29 conventional hydroelectric plants, one pumped storage hydroelectric plant, five coal-fired plants, three nuclear plants, 17 natural gas and/or oil-fired sites, one diesel generator site, and 13 solar installations. TVA also acquires power under power purchase agreements of varying durations, including short-term contracts of less than 24-hours. Additionally, TVA expects to add 10,000 megawatts of solar by 2035, more than a 24-fold increase from current levels, and is evaluating the impacts of retiring all existing coal units by 2035.

ECONOMIC DEVELOPMENT

Economic development is a core component of the mission of TVA. TVA's primary economic development goals are to recruit major business operations to the Tennessee Valley, encourage the location and expansion of companies that create good paying jobs, and prepare communities in the Tennessee Valley for economic growth. TVA's economic development efforts helped recruit or expand 269 companies into the TVA service area during FY 2021.



TVA'S BUSINESS OPERATING MODEL

The TVA Business Operating Model describes how TVA works as an enterprise to accomplish its strategic goals, fulfill its mission of service, and ensure continuity and sustainability of operations over time. The business model depicts how the organization's values, strategic priorities, and executable work processes create value for its customers.

The planning and execution portion of the business model, called the performance wheel (the circle in the figure below), demonstrates how the TVA mission is translated into clearly defined performance objectives that are monitored, measured, and achieved by the workforce.



Execution of the organizational business plan is key to TVA's ability to achieve its goals and objectives while ensuring the continuity and reliability of its ongoing operations in the delivery of its mission. Through effective execution, performance is continually monitored, analyzed, and reported to stakeholders.

TVA is committed to its core **VALUES**



Safety

We are uncompromising in our commitment to the safety and well-being of our teammates and the communities we serve.



Integrity

We are honest and straightforward – always doing the right thing with integrity.



Inclusion

We treat everyone with dignity and respect – emphasizing inclusion by welcoming each person's individuality so we can reach our potential.



Service

We are proud to be of service in the communities in which we live, work, and play.



STRATEGIC PRIORITIES & OBJECTIVES

In order to help fulfill TVA's mission of service to the region, the organization must realize the following five strategic priorities: powerful partnerships, people advantage, operational excellence, igniting innovation, and financial strength.



**People
Advantage**



**Operational
Excellence**



**Financial
Strength**



**Powerful
Partnerships**



**Igniting
Innovation**

The successful implementation of the priorities noted above will directly contribute to the achievement of TVA's mission of providing clean, reliable, and affordable power, serving as good stewards for the environment, and attracting jobs and investments to the TVA region.

In identifying TVA's noted strategic priorities, various organizational opportunities and objectives were considered, as identified below:

People Advantage

- *Objective* – Amplifying the energy, passion, and creativity within us all
- *Opportunities Addressed* – TVA strives to be the destination for difference makers and create a culture that lives up to the values of Safety, Integrity, Inclusion, and Service. This includes ensuring a safe work environment that amplifies power, passion and creativity across TVA.

Operational Excellence

- *Objective* – Building on our best-in-class reputation for reliable service and competitively priced power
- *Opportunities Addressed* – Given that a core aspect of TVA's mission is to deliver reliable, low-cost, and clean energy, identifying a priority which emphasizes the ability to continue to operationally deliver on this challenge is considered vital for the organization.

Financial Strength

- *Objective* – Investing in our future, while keeping energy costs as low as possible
- *Opportunities Addressed* – Emphasizing the need of the organization to prioritize financial health is also considered a vital element to TVA's success. This is critical as it is designed to address challenges associated with sustaining necessary cash flows to maintain both operations and sufficient debt levels. Additionally, TVA's ability to maintain financial health helps promote both rate stability and competitiveness.

STRATEGIC PRIORITIES & OBJECTIVES

Powerful Partnerships

- *Objective* – Promoting progress through the shared success of our customers and stakeholders
- *Opportunities Addressed* – Establishing powerful partnerships with all customers in the Valley is a key element embedded in TVA's mission. Forming long-term partnerships with our customers helps strengthen both connections and the flow of information that aid in long-term decisions which are critical in the utility industry. Additionally, these partnerships help create an environment allowing TVA to better promote the economic advantages available throughout the Valley, spurring economic investment and job creation.

Igniting Innovation






- *Objective* – Pursuing innovative solutions for TVA and our communities
- *Opportunities Addressed* – The environment in which TVA operates is changing faster than ever before, and the ability of the organization to embrace and adopt new technologies that will lead the organization and Tennessee Valley forward is an opportunity reflected in this strategic priority which TVA strives to achieve.



TVA BUSINESS ALIGNMENT

TVA's Purpose: Serve the People to Make Life Better

Every day we work to improve lives by providing safe, clean, reliable, and affordable electricity; supporting a robust, award-winning economic development policy that has created prosperous communities throughout our region; and upholding an environmental stewardship program that has created some of the most beautiful and productive waterways in the United States. Aligning our plans with our priorities and metrics is critical to supporting our mission at TVA.

	TVA Mission	Strategic Priorities	Strategic Objectives	Performance Goals & Metrics
ENERGY		 People Advantage	Amplifying the energy, passion, and creativity within us all	<ul style="list-style-type: none"> Serious Injury Incident Rate (SIIR)
ENVIRONMENT		 Operational Excellence	Building on our best-in-class reputation for reliable service and competitively priced power	<ul style="list-style-type: none"> CO₂ Emissions Environmental Violations of Significance Load Not Served Coal Equivalent Availability Factor (EAF) Combined Cycle EAF Nuclear Online Reliability Loss Factor Nuclear Performance Index
ECONOMIC DEVELOPMENT		 Financial Strength	Investing in our future, while keeping energy costs as low as possible	<ul style="list-style-type: none"> Retail Rates (¢/kWh) Non-Fuel Delivered Cost of Power Operating Cash Flow (\$M) Net Income (\$M) Total Financing Obligations (\$B)
		 Powerful Partnerships	Promoting progress through the shared success of our customers and stakeholders	<ul style="list-style-type: none"> Jobs Created & Retained Capital Investments
		 Igniting Innovation	Pursuing innovative solutions for TVA and our communities	<ul style="list-style-type: none"> Project and Initiative Milestones

PERFORMANCE GOALS & METRICS

People Advantage

People are at the core of TVA's mission, both through service to the Valley and to each employee within the organization. As part of TVA's culture, an environment focusing on safety and inclusion is emphasized through the reinforcement of values, behaviors and competencies. As part of that culture, it is critical that safety is stressed in our daily work environment and is in turn a measurement that is gauged constantly and evaluated for improvements.

The primary metric used to evaluate employee safety and to ensure that TVA employs a safe work environment is the Serious Injury Rate.



Metric 1 – Serious Injury Incident Rate (“SIIR”): The Serious Injury Incident Rate is a measure of the number of serious injuries per 200,000 employee-hours worked by TVA employees and staff augmentation contractors. This measurement is a valuable metric for TVA as it tracks both serious injury occurrences and how well safety precautions are being followed. Reducing serious injuries not only promotes safety, but it also improves employee productivity and morale. Overall, this metric helps serve as a gauge regarding how safely our employees are executing desired tasks and how well safety is emphasized in our culture on a daily basis.

TVA is committed to maintaining a safe work environment as we serve the Valley.

PERFORMANCE GOALS & METRICS

Operational Excellence

TVA's core goal for its asset portfolio is to pursue operational excellence in a manner that will safely accommodate the power needs for those in the Valley. This involves the successful completion and maintenance of assets impacting our ability to reliably serve our customers. The primary metrics used to gauge TVA's performance with respect to this goal are those that evaluate our ability to continuously meet the power needs of the Valley, maintain high standards of reliability, and produce clean energy while serving as good stewards for the environment.

Specifically, these metrics include the following: CO₂ Emissions Rate, Environmental Violations of Significance, Load Not Served, Coal Equivalent Availability Factor ("EAF"), Combined Cycle EAF, Nuclear Online Reliability Loss Factor, and Nuclear Performance Index.



Metric 1 – CO₂ Emissions Rate (Tons/GWh): This measure reflects TVA's commitment to managing greenhouse gas emissions through efficient operation of its diverse generation mix.

TVA maintains an objective of minimizing CO₂ emissions in order to protect the environment and air quality for both residents and wildlife in the Tennessee Valley.

PERFORMANCE GOALS & METRICS

Metric 2 – Environmental Violations of Significance: This is defined as a notice of violation or enforcement order issued by a regulatory agency for any environmental regulation non-compliance, or any non-compliance resulting in a fine or penalty.

This measurement is considered as an evaluation tool as to how well TVA safely operates and protects the environment given the potential hazards that exist when operating in the utility industry. It is TVA's objective to continue to operate as responsible stewards in the Valley with an emphasis on safety to minimize any potential impacts to the environment while maximizing the quality of life for those in the Tennessee Valley region.

Metric 3 – Load Not Served (System Minutes): The Load Not Served (System Minutes) metric measures the magnitude and duration of transmission system outages that affect TVA customers. This measure is expressed in system minutes and excludes events during declared major storms.

Given that power reliability is a primary customer requirement, it is vital that we measure our ability to consistently meet customer demands for electricity. This metric allows TVA to track customer interruptions in power and is a critical indicator as to how well we serve the Valley's power needs. Across the seven states TVA serves, utilizing over 16,000 miles of transmission lines, TVA has successfully met the energy consumption needs of the Valley with 99.999% reliability each year since FY 2000.



PERFORMANCE GOALS & METRICS

Metric 4 – Coal EAF: The Coal EAF metric measures the percentage of time over a given period that TVA's coal-fired fleet is available to generate electricity for TVA. Overall, this metric is designed to help measure the reliability of our coal fleet and is an important metric to identify how well our coal units actively satisfy the demand for power during peak times, in turn impacting the reliability of TVA's entire power fleet.

Metric 5 – Combined Cycle EAF: The Combined Cycle EAF metric measures the percentage of time over a given period that TVA's combined cycle fleet is available to generate electricity for TVA. This measure excludes any newly commissioned units until after the first full fiscal year of operation. Overall, this metric is designed to help measure the reliability of our gas fleet and is an important metric to identify how well our gas units actively satisfy the demand for power during peak times, in turn impacting the reliability of TVA's entire power fleet.

Metric 6 – Nuclear Online Reliability Loss Factor (“ORLF”): The Nuclear ORLF measure reflects the ratio of all energy generation losses for TVA's nuclear fleet to the referenced energy generation in the same period, expressed as a percentage. This measure is both corrected for refueling outages and exempt of activity losses.

Metric 7 – Nuclear Performance Index: The Nuclear Performance Index is a weighted combination of key performance indicators based on standard nuclear industry definitions for station performance. The maximum score is 100, and TVA's fleet-level score is an average of the performance of each unit.

Overall, the Nuclear Performance Index is a standard metric that allows TVA to measure both safety and reliability capabilities within our nuclear power fleet while promoting standards of excellence in performance.

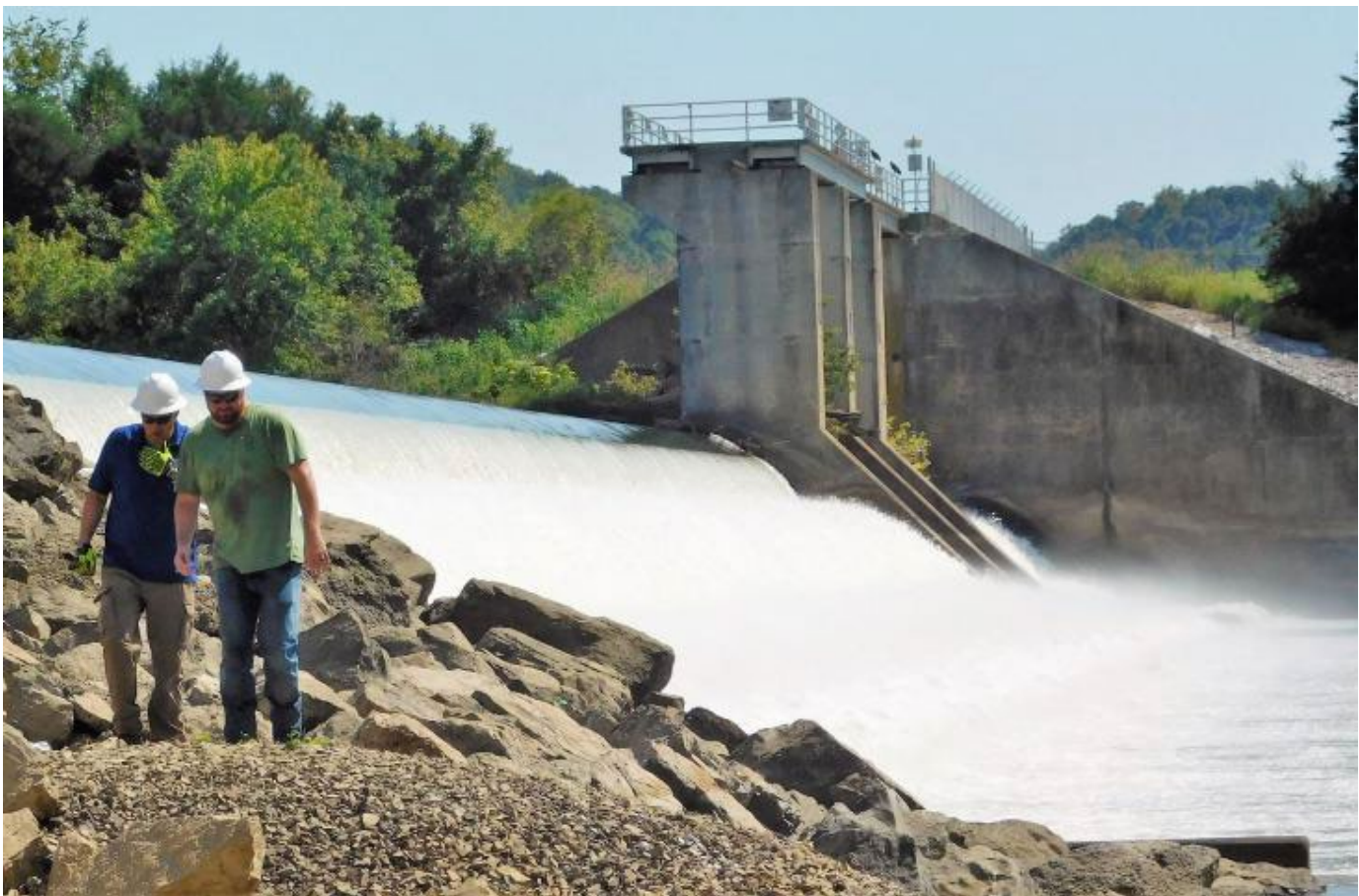


PERFORMANCE GOALS & METRICS

Financial Strength

TVA's Financial Strength is measured by the organization's ability to invest in the future while keeping energy costs as low as feasible. TVA's mission is to keep energy rates competitive for our customers, and TVA must balance rate considerations with sustaining enough cash flow to both invest in its operating fleet and maintain appropriate debt levels.

The metrics which TVA uses to evaluate its Financial Strength are as follows: Retail Rates ($\text{\$/kWh}$), Non-Fuel Delivered Cost of Power, Operating Cash Flow (\$M), Net Income (\$M), and Total Financing Obligations (\$B).



Metric 1 – Retail Rates ($\text{\$/kWh}$): TVA has recently taken a number of measures to ensure the ability to offer competitive energy rates for our customers, including implementing internal cost-cutting measures, planning for flat base rates through FY 2030, and offering an annual 3.1% partner credit for all local power companies (“LPCs”) who commit to becoming long-term partners. Additionally, TVA’s Board has approved a 2.5% pandemic relief / recovery credit to all customers in FY 2021 and FY 2022 and a 1.5% credit in FY 2023 to help respond to challenges stemming from the COVID-19 pandemic.

TVA’s effective retail rate, as of July 2021, ranked 21st among the nation’s top 100 U.S. utilities, while TVA’s effective industrial rate as of the same time ranked 5th. TVA’s rate positioning further illustrates the organization’s commitment to provide competitive rates for our customers.

PERFORMANCE GOALS & METRICS

Metric 2 – Non-Fuel Delivered Cost of Power: TVA's Non-Fuel Delivered Cost of Power represents TVA's non-fuel O&M, base capital, interest, and other cash needs divided by budgeted electric sales.

This measurement provides a view of TVA's ability to control internal costs, and is expressed as a rate. Additionally, this metric serves as a gauge as to how well TVA controls annual expenses throughout the year relative to budget levels.



Metric 3 – Operating Cash Flow: This measure is defined as the amount of cash generated from power production and other mission-related activities, and is generally defined as cash receipts from customers less cash payments made for operating expenses during the same period. This is a valuable metric as it helps identify if TVA is receiving adequate cash levels from customers to sufficiently fund operating activities.

The continued evaluation of TVA's operating cash flow is important given the structure of TVA's Financial Guiding Principles. These are principles set forth by TVA's Board which provide guidelines as to how TVA financially manages its operations. These principles include the stipulations that debt should only be increased to fund new assets and rate actions should be evaluated to avoid significant rate volatility.

PERFORMANCE GOALS & METRICS

Metric 4 – Net Income: TVA's net income constitutes our net earnings derived by adjusting revenues for the cost of doing business, including cost of sales, depreciation, interest, taxes, and other expenses.

This measurement is a standard accounting measure that provides a view of TVA's financial performance and position. Additionally, this metric serves as a gauge as to how well TVA aligns total expenses (cash and other) with total revenues (power and other) that are incurred throughout the same period.



Metric 5 – Total Financing Obligations (\$B): TVA's Total Financing Obligations ("TFO") represent debt and debt-like instruments and is an important metric when evaluating the organization's financial position.

TVA's ending FY 2021 debt levels, \$20.5 billion, were at their lowest point in over 30 years, and TVA's ability to maintain a debt level at or below \$24 billion (sufficiently below the \$30 billion debt cap established by Congress) provides comfort that the organization can sufficiently borrow to fund necessary capital projects.

TVA remains committed to stabilizing debt in a range aligned to the balance between customer contractual commitments and total obligations.

PERFORMANCE GOALS & METRICS

Powerful Partnerships

TVA actively seeks to create powerful partnerships between the organization and those we serve. This includes promoting progress in the Valley through the shared success of TVA's customers and stakeholders. TVA's nationally recognized economic development program serves as a critical tool to help promote these values while helping to spur economic activity in one of the most impoverished regions in the nation. Two metrics which TVA uses to measure this priority include Jobs Created / Retained and Capital Investments.

Metric 1 – Jobs Created / Retained: This metric reflects the number of new or retained jobs in the Tennessee Valley for which TVA has played a role in the recruitment or retention of the corresponding economic development project. This is considered an industry standard measure and tracks TVA's progress regarding economic development efforts. TVA's economic development programs helped recruit or expand 269 companies into the TVA service area during FY 2021 despite challenges experienced from the COVID-19 pandemic. TVA's economic development program is a critical part of the organization's mission and helps promote job growth in the Tennessee Valley.

Metric 2 – Capital Investments: This metric measures the amount of economic and capital investment in the Tennessee Valley for which TVA has played a role in attracting. During FY 2021, TVA helped attract capital investments of over \$8.8 billion in the Tennessee Valley despite challenges stemming from the COVID-19 pandemic. Additionally, in FY 2021 TVA made *Site Selection* magazine's list of the top utilities in North America for economic development activity for the 16th consecutive year, one of only three utilities to earn this distinction.



PERFORMANCE GOALS & METRICS

Igniting Innovation

TVA's Igniting Innovation priority is designed to measure progress toward milestones and initiatives that provide innovative and advanced solutions to better serve the people of the Tennessee Valley. At TVA's November 2020 Board meeting, a set of transformative innovation initiatives was presented, including the following:

Energy Storage Integration

Implement a long-term strategy to integrate energy storage for system flexibility and maximizing renewables

Electric Vehicle Evolution

Enable the adoption of electric vehicles in the Valley to create load growth and benefits for citizens

Decarbonization Options

Develop feasible technology pathways to achieve the next phases of carbon reductions and offsets

Connected Communities

Expand smart technologies including broadband with communities to manage energy and services

Regional Grid Transformation

Enable an interconnected, intelligent grid to reliably deliver power as customer values evolve, investing in a state-of-the-art System Operations Center and Energy Management System that enhance security, resiliency and reliability and enable innovation

Advanced Nuclear Solutions

Develop a reliable, affordable, flexible, and clean generation option with cost and risk shared

Additionally, the development of emerging technologies such as carbon capture can help extend the life of existing natural gas plants in a carbon free environment. Carbon capture will likely be key to achieving deep carbon reduction because it can serve as a backstop for removing carbon that cannot be displaced by other means. This technology will also ensure that natural gas generation can support the adoption of renewable energy over the long term.

Another technology essential to decarbonization is small modular reactor generation – flexible, carbon-free, baseload generation. The availability of cost-effective small modular nuclear reactors in the mid-2030s would help secure a carbon-free generation fleet for the next 100 years. In December 2019, TVA received the nation's first Early Site Permit for a small modular reactor from the U.S. Nuclear Regulatory Commission ("NRC") for two or more small modular reactors at our Clinch River Site in Oak Ridge, Tennessee, the only site in the nation with an NRC-approved early site permit for small modular reactors.

Successful partnerships are particularly important in the development of advanced nuclear designs. In the Tennessee Valley, and elsewhere, nuclear technology plays a critical role in meeting electricity generation needs and carbon reduction goals in a manner that maintains reliability and keeps rates affordable. As one of the nation's largest electricity providers, TVA is committed to being part of the solution and to working with others to meet this important challenge.

GOAL LEADERS

In order to monitor the progress toward each of the aforementioned strategic priorities, TVA's executive leadership team has embraced the responsibility to serve as goal leaders for the organization, leading both the strategy and development of each priority. This creates alignment throughout the organization with regard to the achievement of each goal while reinforcing TVA's commitment to each priority throughout the organization.

Organizational leads for the various strategic priorities, or goal leaders, are noted below:

- **Powerful Partnerships:** Executive Vice President and Chief External Relations Officer
- **People Advantage:** Executive Vice President and Chief People and Communications Officer
- **Operational Excellence:** Executive Vice President and Chief Operating Officer, and Executive Vice President and Chief Nuclear Officer
- **Igniting Innovation:** Executive Vice President and Chief Financial and Strategy Officer
- **Financial Strength:** Executive Vice President and Chief Financial and Strategy Officer

While certain goal leaders are noted above, everyone in the organization plays a key role in the successful achievement of TVA's strategic priorities, which further leads to the fulfillment of TVA's mission of service.



MAJOR MANAGEMENT PRIORITIES

TVA's Ongoing Commitments

TVA has a history which is cemented in a commitment to serve to the people of the Tennessee Valley. This commitment to serve originated with TVA's inception and continues to this day. As part of TVA's ongoing commitments, we must continue to focus on serving the Valley in a manner which satisfies the ongoing challenges of providing clean, reliable energy at a cost as low as feasible.

Realizing these challenges, on May 6, 2021, the TVA Board approved a resolution endorsing TVA's Strategic Intent and Guiding Principles, which outlines TVA's intent to align its people, operational, and innovation efforts to business strategies that provide reliable, resilient, low-cost, and clean energy to the region. Included in this resolution are the following ongoing commitments:

- **We are committed to being a leader in low-carbon energy:** We believe that how quickly the nation can achieve carbon-free electric generation will be determined by the federal government's urgency in funding technology development and demonstration. The development that is needed on an accelerated basis will require direct, financial support for entities that have demonstrated the ability to achieve significant carbon reduction, integrate new technologies in a cost-effective method, and drive economic development to ensure a strong national economy. As a part of the federal government, TVA stands ready to lead.
- **We are committed to continued investments in our increasingly clean, diverse energy portfolio:** TVA has made significant investments in modernizing its diverse generating fleet. Actions include retiring aging coal units, adding modern gas generation, and investing in TVA's industry-leading transmission system. The results are one of the nation's most reliable energy systems, a \$1 billion reduction in fuel and purchased power costs, and our 63% reduction in mass carbon emissions.
- **We are committed to being a leader in innovation and decarbonization solutions:** TVA was founded on the principle that it would be an innovator for the nation, developing and demonstrating technical solutions to a wide range of economic, environmental and societal challenges. Now, our nation is at the point where new low-cost and carbon-free technologies can become available only if they are supported by the right investments in research and development.
- **We are committed to serving the Valley communities:** TVA is focused on supporting progress in the region through the shared successes of our customers, stakeholders, and communities. We serve the region in partnership with 153 local power companies and are working to enhance our role as a community leader and trusted partner in order to meet our resource and environmental stewardship commitments and to help the region remain a top choice for business and industry.
- **We are committed to inclusion with diversity:** TVA believes that success over the long term requires the full and active participation of the Board of Directors, senior leadership and employees, whose diverse perspectives will generate creative solutions to challenges. TVA's commitment includes hiring employees at all levels who embrace inclusion with diversity as a core value.
- **We are committed to financial strength and stability:** TVA is mandated by the TVA Act to keep rates as low as feasible. Over the past decade, TVA has kept its effective rate flat while at the same time investing over \$15 billion to balance and modernize its generation portfolio. As TVA further modernizes its asset portfolio and further reduces emissions, we are committed to maintaining flat base rates through this decade.

MAJOR MANAGEMENT PRIORITIES

FY2020 – FY2030 Financial Plan

Key elements comprising TVA's financial plan involve balancing the tradeoffs that exist between rates and debt. Over the last decade TVA has been able to successfully reduce its debt balance to \$20.5 billion at the end of FY 2021, TVA's lowest debt level in over 30 years. This reduction in debt was achieved while simultaneously maintaining flat wholesale rates for our customers over the same timeframe, resulting in an improved competitive rate position relative to peers.

In August 2019, the TVA Board approved an annual budget that reflects the first year of a new Strategic Financial Plan. This Strategic Financial Plan, which extends from FY 2020 through FY 2030, is flexible in aligning customer preferences and TVA's mission while at the same time establishing a long-term forecast of financial results. Key focus areas of the Strategic Financial Plan include (1) establishing alignment between the length of LPC contracts and TVA's long-term commitments, (2) stabilizing debt, (3) maintaining flat rates, (4) driving efficiencies into the business, and (5) advancing the public power model. As TVA executes the plan, key assumptions and focus areas may change.

Establish Alignment between LPC Contracts and TVA's Long-Term Commitments

Long-term power planning requires TVA to make long-term financial commitments. As of October 1, 2018, the weighted average length of the notice period under TVA's wholesale power contracts with LPCs was less than seven years. In order to better align customer contractual commitments with TVA's overall financial obligations, the TVA Board approved a long-term partnership proposal that was made available to all TVA-served LPCs in August 2019.

Under this long-term partnership proposal, LPCs that agree to contractual changes, which include a rolling 20-year term and a termination notice period of 20 years, will receive a long-term partner credit. That credit is currently 3.1% of wholesale standard service demand, energy, and grid-access charges. TVA's effective wholesale rate and annual revenues will decline as LPCs commit to becoming long-term partners, and TVA's overall financial health will improve through better alignment of customer contract terms with TVA's overall financial obligations.

As of December 31, 2021, 146 of the 153 LPCs served by TVA had signed the long-term partnership proposal, thus closing the gap between TVA's committed revenues and long-term obligations. Additionally, as part of the Partnership Agreement, participating LPCs are permitted the option to sign a Flexibility Agreement allowing for flexible generation capacity up to approximately five percent of their average total hourly energy sales over TVA fiscal years 2015 through 2019 (or 1 MW, whichever is greater). As of December 31, 2021, 76 LPCs had signed up for the Flexibility Agreement.

Stabilize Debt

TVA is focused on stabilizing debt in a range aligned to the balance between customer contractual commitments and total obligations. As TVA executes the plan, key assumptions and performance may change estimated debt and cash balances; however, TVA remains committed to keeping debt stable at or below \$24 billion. Over the coming decade, debt may increase modestly as TVA makes continued investments in power system assets. TVA is comfortable with slightly higher debt levels (less than \$24 billion), given the large number of LPCs that have committed to 20-year partnerships and long-term incentives with TVA.

MAJOR MANAGEMENT PRIORITIES

Maintain Flat Rates

As part of the updated Strategic Financial Plan, TVA implemented an aggressive objective that includes no planned base rate increases for 10 years. To this point, TVA has already foregone any rate increases through FY 2022 and continues to plan for no rate increases through FY 2030. Additionally, any LPC that commits to signing the Long-Term Partner Agreement is eligible to receive the aforementioned 3.1% partner credits on its monthly power invoices.

Metric	July 31, 2019 (No Partners)	December 31, 2021 (146 Partners)
LPCs on 20-Year Contracts	2%	95%
Weighted Avg LPC Contract Length (years)	7	18
Base Revenue Under Contract	~\$56B	~\$130B

Drive Efficiencies into the Business

Over the last decade, TVA was able to successfully reduce its annual non-fuel O&M expenses by \$800 million compared to FY 2013 budget levels. Additionally, TVA's annual fuel and purchased power expenses were reduced by over \$1 billion during the same timeframe. TVA remains committed to achieving operating efficiencies, while also maintaining the fuel cost benefits of a diverse portfolio.

Additionally, as part of the organization's priority to drive efficiencies into the business, TVA currently maintains the objective to achieve top quartile performance with respect to its nuclear fleet by the end of 2022 and to lead the nation in nuclear fleet performance by the end of 2025.

Advance the Public Power Model

Another focus area within the new financial plan is to continue to advance the public power model. This includes creating better, sustainable relationships with our customers. These long-term relationships help with regard to both long-term planning and creating an environment in which both TVA and LPCs share in the success of delivering low-cost, reliable power for everyone in the Tennessee Valley. In order to continue to achieve this objective, TVA plans to deliver differentiated products and solutions for our customers, including avenues for acquiring renewable energy to help our customers achieve their desired sustainability goals. Additionally, this requires TVA to consider future risks as part of the decision-making process, while enabling future business development.

As TVA executes this new financial plan, the organization's long-term financial health and rate positioning are expected to improve through the better alignment of customer contractual commitments with TVA's long-term financial obligations, the expectation of no base rate increases through FY 2030 coupled with long-term partner credits, and the continued achievement of operational efficiencies.

MAJOR MANAGEMENT PRIORITIES

COVID-19 Pandemic Response

In response to the COVID-19 pandemic, TVA has put in place measures to protect its workforce, stakeholders, and critical operations, such as extending the timeframe for workforce reintegration and continuing to implement strong physical and cybersecurity measures. Generation, transmission, and distribution functions are actively monitored, and TVA's operations and delivery of energy to customers have not been materially impacted by the COVID-19 pandemic at this time.

The COVID-19 pandemic has also created economic uncertainty for TVA's LPCs and the communities they serve. To support LPCs and strengthen the public power response to the COVID-19 pandemic, TVA created initiatives such as the Public Power Support and Stabilization Program, Back-to-Business Credit Program, Community Care Fund, and Pandemic Credits. TVA has also provided regulatory flexibility for LPCs to halt disconnection of services.

An outline of some of the initiatives created by TVA in response to the COVID-19 pandemic are as follows:

- **Back-to-Business Credit Program**: TVA created the Back-to-Business Credit Program to enable TVA and LPCs to provide relief to certain large customers affected by the COVID-19 pandemic by providing certain credits when returning to operations. As of September 30, 2021, TVA had provided approximately \$13 million in Back-to-Business credits under this program since its inception, with over \$3 million provided for the year ended September 30, 2021. This program ended September 30, 2021.
- **Community Care Fund**: TVA also continues to partner with LPCs through the Community Care Fund by making available over \$9 million in TVA matching funds to support local initiatives that address hardships created by the COVID-19 pandemic. As of September 30, 2021, over \$4 million in matching funds had been provided by TVA, with nearly \$2 million provided for the year ended September 30, 2021.
- **Pandemic Relief and Recovery Credits**: In August 2020, the TVA Board approved a Pandemic Relief Credit that was effective for FY 2021. The 2.5 percent monthly base rate credit, which totaled \$221 million for FY 2021, applied to service provided to TVA's LPCs, their large commercial and industrial customers, and TVA directly served customers through September 2021. In August 2021, the TVA Board approved a 2.5 percent monthly base rate credit, the Pandemic Recovery Credit, which will be effective for FY 2022. The credit, expected to approximate \$220 million, will also apply to service provided to TVA's LPCs, their large commercial and industrial customers, and TVA directly served customers. In November 2021, the TVA Board approved a 1.5 percent monthly base rate credit, which is an extension of the Pandemic Recovery Credit, to be effective for FY 2023. The FY 2023 credit is expected to approximate \$133 million, and it will be administered in a manner similar to the Pandemic Recovery Credit.

These actions continue to show TVA's commitment to support the financial integrity of LPCs along with communities and customers across the Tennessee Valley during these challenging economic conditions caused by the COVID-19 pandemic. The COVID-19 pandemic is an evolving situation that may lead to extended disruption of economic activity and an adverse impact on TVA's results of operations. TVA is closely monitoring developments and will continue adjusting its response as necessary to ensure reliable service while protecting the safety and health of its workforce.

MAJOR MANAGEMENT PRIORITIES

Building the Energy System of the Future

Decades ago, TVA's innovative integrated resource management brought the first electric lights to rural communities and remote farms. Our customers and communities are counting on TVA to deliver the increasingly clean, low-cost and reliable electricity they expect and deserve. This energy powers high-tech industries, integrates distributed resources, and empowers customer choice and local control.

In order to fulfill this expectation, TVA is actively working to build the energy system of the future. This includes the following investments, among others, to help build a dynamic energy system to better serve the people of the Tennessee Valley:

- TVA is investing more than \$2 billion in transmission system improvements over five years to ensure that we continue to provide increasingly clean, low-cost, reliable power.
- The heart of the energy system of the future will be TVA's new System Operations Center and energy management system, a \$300 million investment employing smart technologies to manage power grid operations more reliably, efficiently, and securely.

The energy system of the future will support a diverse portfolio of clean energy sources, advanced technologies, and broad electrification in the transportation sector and elsewhere. We are investing in the future today as we set our plans and aspirations for years to come.



MAJOR MANAGEMENT PRIORITIES

TVA Leadership in Decarbonization

TVA is an industry leader in developing innovative and cost-effective technologies that are designed to decarbonize our economy and achieve our aspirations of a net-zero carbon energy future.

Based on our progress in diversifying the power system and the status of our existing power system assets, TVA is working to achieve significant carbon reductions in the decades to come without compromising the low rates and high reliability that sustain the customers and communities we serve.

We intend to follow the trajectory below (indicating reductions of mass carbon emissions compared to 2005 levels) as TVA aspires to achieve net-zero carbon emissions by 2050:

Carbon Reduction Goals

63%

Results Accomplished

70%

Plan by 2030

~80%

Path by 2035

Net-Zero

Aspiration by 2050

- Delivered 63% reductions in carbon emissions including the retirement of 8,600 megawatts of coal generation (including Bull Run announced retirement), the addition of 1,600 megawatts of carbon-free nuclear generation, and the addition of 5,200 megawatts of new flexible and efficient gas generation.
- Executing a plan to 70% reductions in carbon emissions by 2030, including adding 5,000 megawatts of solar capacity by 2030 (2,300 megawatts committed by 2023), further reducing our reliance on coal as additional plants approach end-of-life, and investing in our carbon-free nuclear and hydroelectric fleet.
- Developing a path to ~80% reductions by 2035, primarily by leveraging existing, cost-effective technologies, expanding our renewable portfolio to include an additional 5,000 megawatts by 2035, evaluating coal plants as they reach end-of life, and investing in research and development of technologies such as small modular reactors, longer-duration storage, and carbon capture.
- Aspiration to net-zero emissions by 2050, which would require the development of new, cost-effective technologies such as affordable, scalable nuclear technologies.

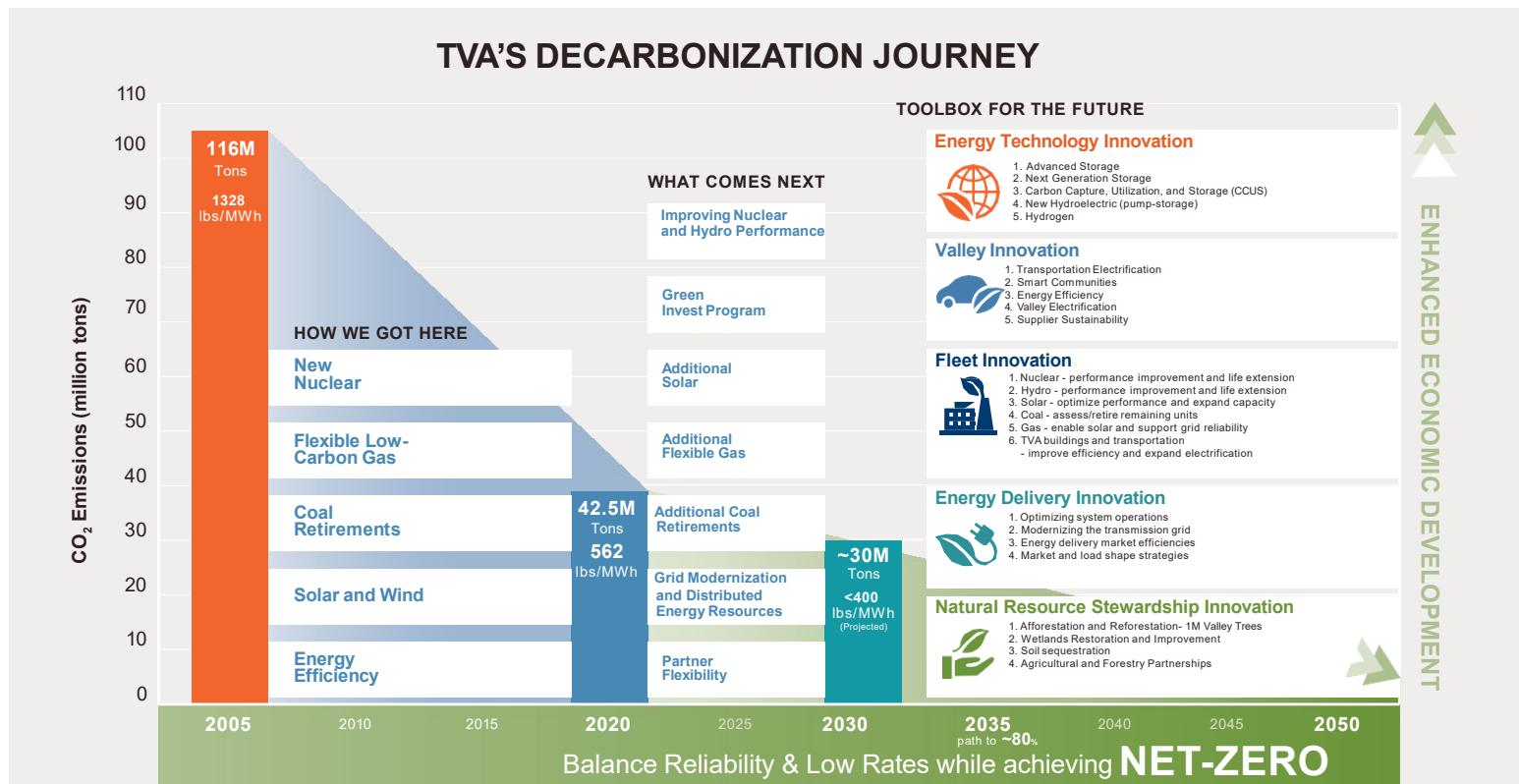
TVA currently expects to add solar energy expansion of 10,000 megawatts by FY 2035, as stated above, while also evaluating the retirement of all remaining coal-fired units by FY 2035 to help demonstrate TVA's position as a leader in carbon reductions and to support the decarbonization efforts of the Administration.

TVA's current planning assumptions further include the adoption of new natural gas technologies to enable solar expansion and support additional coal retirements while helping to maintain both system reliability and resiliency. TVA is committed to working with its partners in the Tennessee Valley and elsewhere to accelerate the clean energy economy in keeping with TVA's mission of service.

MAJOR MANAGEMENT PRIORITIES

Over the last three fiscal years (FY 2019 – FY 2021), 15% of TVA's total power supply has come from renewable generation sources. In 2018, 14% of TVA's net generation came from renewable resources, which ranks TVA second overall and in the top quartile among investor-owned utility peers located in and around the southeastern region of the United States. In accordance with TVA's 2019 IRP, solar expansion is expected to play a substantial role and increase the percentage of renewable generation on our system going forward as TVA seeks to continue to transition our operating fleet to a more diverse and clean energy mix.

The chart below represents TVA's decarbonization journey, outlining how TVA has achieved 63% reductions in CO₂ emissions to date and the plans of the organization going forward.



As TVA works to achieve the aspiration for net-zero carbon, the organization acknowledges that reaching this goal will rely on the successful development and deployment of new technologies. TVA is investing in research and development with peers to achieve utility scale testing and development of these new technologies, and TVA is working to partner with the Department of Energy and others to lead the nation in deployment.

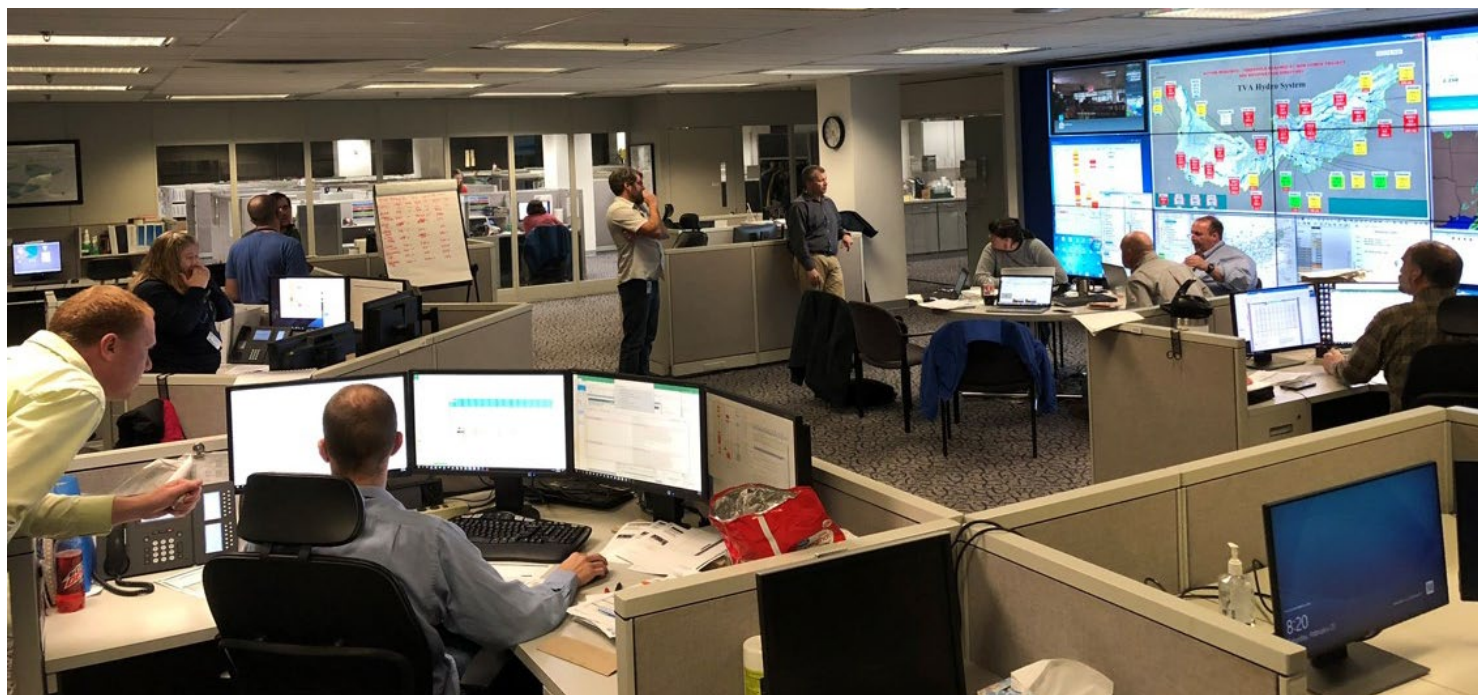
Internally, TVA continues to explore other ways that the organization can accelerate its emissions reductions journey, while maintaining safe, reliable, and low-cost power for our LPCs and the communities TVA serves, consistent with a primary objective of the TVA Act to keep rates as low as feasible and the statutory directive to use least-cost planning principles for the TVA system.

MAJOR MANAGEMENT PRIORITIES

Guiding Principles for Carbon Reduction

TVA's mission is the foundation of all that we do in service to the people of the Tennessee Valley, and we act in accordance with our values and priorities. Our region's continuing success requires an increasingly clean energy supply, and we are building on TVA's accomplishments to move toward decarbonization. Our actions will be guided by the following principles and our commitment to serving the people of the Tennessee Valley:

- Prioritize the needs of Valley stakeholders as we work to achieve our goals by maintaining low rates and high reliability, and attracting new jobs in the Valley.
- Use best-available science and support research and policies that further carbon-free dispatchable technologies.
- Partner with our long-term local power company customers and other customers and communities to support economy-wide decarbonization efforts and the strategic electrification of other sectors, such as transportation.
- Maintain nuclear generation, hydro generation and a strong transmission grid as key enabling assets.
- Be transparent with stakeholders in measuring and sharing our progress, and listen and work effectively with all our stakeholders to understand their priorities and needs.
- Adapt to new technologies and changing policies, and be willing and open to change our plans and projects to achieve deep carbon reduction.



MAJOR MANAGEMENT PRIORITIES

Designing and Implementing Energy Programs and Services

TVA is partnering with LPCs, businesses, and consumers to develop and execute energy programs and services that make life better for the people of the Valley. These products and services are typically offered to consumers and businesses in partnership with LPCs, and are generally designed to provide energy efficiency, demand response, electrification, or innovation objectives. These offerings also help TVA and the LPCs position themselves as the trusted energy advisors, innovators, and energy providers of choice as the utility industry enters an era of greater competition and choices of energy supply.

The TVA EnergyRight® offerings continue to engage residential and business consumers across the Valley through services promoting the wise use of energy including residential, commercial, industrial, and power systems initiatives. Current TVA EnergyRight® resources that are being implemented include the following:

- **Energy Efficiency** – Offer services that make consumers and businesses more productive and comfortable, lower customer costs, and position LPCs and TVA as trusted energy providers.
- **Smart Electric Technologies (Electrification)** – Promote smart electric technologies, like electric vehicles, space heating, ultraviolet germicidal irradiation, and industrial processes, to make energy consumers more productive and sustainable while generating efficient load and revenue.
- **Demand Response** – Demand Response provides more than 1,660 MW of economical capacity while lowering effective rates for participating customers. This sustainable resource provides flexibility to lower TVA's peak demand when called upon and offsets the need for additional generation. Participants also gain valuable insight into their energy usage.
- **Innovation** – Develop offerings that support TVA's Innovation Transformative Initiatives when they are ready to be deployed commercially.

To spur the energy efficiency market, TVA initiated the most recent wave of energy efficiency efforts in 2007 and steadily grew the program to contribute about 1.5% of sales by 2019. The evaluation, measurement, and verification of TVA programs showed that these efforts were effective in spurring the market and more consumers in the Valley were now choosing more efficient options for their electricity needs without needing an incentive. Since FY 2019, the net contribution to reducing electricity needs in the Valley has remained relatively steady. Earlier energy efficiency impacts have declined as customers replace lighting, appliances, and HVAC with more efficient technology now required by current codes and standards. As this shift has occurred, TVA continues to offer a broad suite of energy efficiency programs to our customers and has shifted the emphasis for incentives to those with the greatest energy burden.

MAJOR MANAGEMENT PRIORITIES

TVA has become more targeted with energy efficiency efforts in recent years. While TVA continues to partner with LPCs to offer energy efficiency education and advice for all market sectors, TVA currently places more emphasis on forming partnerships and catalyzing investment in programs that help consumers and organizations that have been left behind by market-driven efforts to help them reduce their energy burden.

The following includes a summary of TVA's current energy efficiency programs:

- **EnergyRight® Residential (Low Income)** – Partnership between TVA, LPCs, and other funding partners to provide no cost energy upgrades to income-qualified Valley residents. TVA also supports, and helps administer, federal weatherization assistance and low-income home energy assistance programs.
- **EnergyRight® Residential** – Programs for Valley residents and builders that encourage technologies that meet or exceed base codes and standards. Services include access to a quality contractor network, financing options, energy education, and more.
- **EnergyRight® Business and Industry** – Programs for Valley businesses that encourage technologies and upgrades that save energy. These include offerings targeted at schools and underserved communities, as well as online energy-saving tools, strategic energy management training, and incentives for targeted technologies.
- **Federal Facilities Compliance Agreement (“FFCA”)** – Between 2013 and 2018 TVA invested \$240 million into energy efficiency programs, as part of an FFCA between TVA and the Environmental Protection Agency (“EPA”). These programs included Voltage Optimization, Smart Energy Communities, Whole Home Efficiency Upgrades, Commercial Custom and Prescriptive Efficiency Upgrades, and Industrial Custom and Prescriptive Efficiency Upgrades.

TVA's Federal Energy Services Program also helps federal facilities in the Valley meet energy mandates (e.g., climate, resiliency, efficiency, renewables, and electric vehicles) and improve aging infrastructure, allowing them to focus on their primary missions. TVA also administers an internal energy management program that creates energy savings at TVA buildings.

In addition to TVA's energy program offerings, LPCs often partner with their local communities to make a difference in the areas in which they serve. Some examples of how LPCs support their communities include: bill pay assistance, high bill audits, loan options, charitable programs, and energy education offerings.

TVA continues to research and support products and services that benefit residents and businesses across the Valley in the wise use of energy, increase efficient load, and manage peaks, as each of these efforts is consistent with TVA's mission of service and keeping rates as low as feasible.

MAJOR MANAGEMENT PRIORITIES

TVA Environmental Management System

Sustainability is at the heart of TVA's strategy and work. To support the organization's Environmental Stewardship mission, TVA focuses on a number of sustainability priorities including providing reliable, affordable, and increasingly clean energy, engaging in proactive stewardship of the Tennessee River System and public lands, and supporting sustainable economic growth.

TVA began an Environmental Management System Roadmap initiative in FY2019 that lays out a three-year action plan to drive environmental performance improvements throughout the company. In 2020, TVA implemented several actions and processes as part of a robust performance improvement program:

2020 Emissions reduced from historic peaks

97.4%

Reduction in nitrogen oxide (NO_x) below CY 1995 levels through CY 2020 from TVA owned and operated generation

99.2%

Reduction in sulfur dioxide (SO₂) below CY 1977 levels through CY 2020 from TVA owned and operated generation

63%

Reduction in total carbon Dioxide (CO₂) below CY 2005 levels through CY 2020 From TVA owned and operated generation, and purchase power

- Developed additional carbon reduction strategies, including a carbon accounting framework for LPCs to measure and report their carbon footprint.
- Improved integration of environmental objectives into TVA's business planning process by documenting environmental initiatives within each operational business unit.
- Established internal environmental audit program improvements to better evaluate environmental performance.
- Improved internal process of tracking and communicating environmental performance information.

TVA aspires to both achieve net-zero carbon emissions and to support broader national efforts to decarbonize the economy, and is collaborating to develop the robust roadmap and technologies to achieve it.

As the organization works toward deep carbon reductions, we will continue to monitor and take steps to mitigate risks along the way. Changing weather patterns, extreme weather conditions and other events such as flooding, droughts, wildfires and snow or ice storms can impact our system in terms of system operability, customer demand, and the health of regional economies.

TVA improves regional air quality through emission controls on existing generation and through adopting cleaner energy options. From 1970 to 2020, TVA has spent approximately \$6.8 billion on clean air controls to reduce emissions from its power plants.

STAKEHOLDER ENGAGEMENT

TVA is committed to serving its stakeholders, most notably the people of the Tennessee Valley region and our LPCs and directly served customers. TVA's Board of Directors created an opportunity for the public and private sectors to provide input on the region's pressing energy and environmental stewardship issues. Two formal councils were formed to provide outside perspective on TVA actions:

1) Regional Resource Stewardship Council ("RRSC"): Comprising members of regional government, customers, academia and advocacy groups, the RRSC helps advise TVA in its efforts to manage the Tennessee River system against competing priorities and still provide maximum recreational benefit for all the residents of the Tennessee Valley. The council was first convened in March 2000, and its charter was renewed for an 11th term in February 2020. Since its inception, the council has provided recommendations and advice to TVA on the agency's stewardship activities, including reservoir operations, public land planning and management, water supply, recreation, infrastructure operation, maintenance and emergency preparedness. It has also provided comments on TVA's public participation efforts.

2) Regional Energy Resource Council ("RERC"): Comprising members of regional government, customers, academia, and advocacy groups, the RERC provides guidance on how TVA manages its energy resources against competing objectives and values. The council was first convened in the fall of 2013, and its charter was renewed for a fifth term in August of 2021. TVA established the RERC to obtain advice from external stakeholders who are interested in the development and management of energy resources in the Tennessee Valley. Gaining routine input from stakeholders helps TVA manage its priorities in a responsible way to meet the diverse needs of people across the Valley and thereby sustain the vitality of the region.



STAKEHOLDER ENGAGEMENT

Meetings for both the RRSC and RERC are open to the public and typically include a public comment session, and the proceedings are published on the TVA website. Both councils are comprised of up to 20 members representing public and private stakeholders nominated by governors of each of the seven states in the Tennessee Valley, distributors of TVA power, TVA's directly served customers and other regional organizations. Council members represent the region as a whole and encourage public comment. The proceedings of all meetings are public records.

Aside from the noted committees, TVA also employs the Integrated Resource Plan ("IRP") process to identify the energy portfolio most likely to help TVA lead the region, and the nation, toward a cleaner and more secure energy future. An IRP working group is formed to facilitate input from a broad spectrum of stakeholders, such as customers, businesses, activists, elected officials, and economic development experts. TVA's most recent IRP was completed in 2019, with results published on TVA's website.

Furthermore, TVA conducts annual surveys to obtain feedback from various stakeholder groups in order to develop initiatives to improve future performance. TVA also receives valuable input and oversight from the U.S. House of Representatives Transportation and Infrastructure Committee as well as the Senate Environment and Public Works Committee.

Additional avenues for stakeholder feedback and engagement are identified below:

- Natural Resource Plan ("NRP"): The NRP is designed to guide TVA's natural resource stewardship efforts. This plan addresses TVA's management of biological, cultural, and water resources, recreation, reservoir lands planning, and public engagement. The NRP helps TVA set a course that best meets public stewardship objectives while responding to the needs of the region's communities and residents.
- Stakeholder Survey: A quantitative survey conducted among residents, public officials, economic development leaders, and business/community leaders in the Tennessee Valley. This is used to gauge stakeholder satisfaction with regard to TVA's performance.
- Voice of the Customer Survey: Annual polling of the customers which TVA serves (local power companies and directly served customers) regarding customer satisfaction and views of TVA's performance relative to various individual programs and our overall mission.
- Quarterly Board Meetings and Stakeholder Comments: Meetings which occur each quarter attended by TVA Board members and executives. Opportunities are made available to stakeholders to provide comments regarding any concerns they have with TVA's policies and performance.
- Quarterly Public IRP Briefings: Public meetings held quarterly during the IRP process regarding information on TVA's energy portfolio and strategy.
- External Web Page: TVA's public site detailing, among other things, information regarding TVA's energy, environmental, and economic development activities affording the opportunity for stakeholders to observe various actions and policies TVA has taken to serve the Valley.
- Information Exchange Groups: TVA also regularly forms information exchange groups for a variety of topics (such as rate designs) in order to get feedback from stakeholders on pertinent issues and areas of business.

CONCLUSION

TVA is committed to serving the people of the Valley to make life better.

TVA's goals are aligned to provide safe, clean, reliable, and affordable electricity to approximately 10 million people located in the Tennessee Valley region, while upholding an environmental stewardship program that has created some of the most beautiful and productive waterways in the United States and encouraging investment in our region. The metrics noted in this document include some of the key measures used to evaluate TVA's financial and operational performance. As the industry and TVA evolve, TVA will monitor, add, and refine additional enterprise metrics to inform the business on strategic performance across each of the five strategic priorities.



**People
Advantage**



**Operational
Excellence**



**Financial
Strength**



**Powerful
Partnerships**



**Igniting
Innovation**

While the environment in which TVA operates continues to evolve, our mission has remained constant since the agency's inception – to serve the people of the Tennessee Valley. TVA actively seeks to fulfill this mission with a focus on creating powerful partnerships, committing to operational excellence, utilizing its people advantage, igniting innovation, and maintaining financial strength. TVA is proud to honor its mission of service to the people of the Tennessee Valley.

