



TENNESSEE
VALLEY
AUTHORITY

Annual Report

2020



Contents

A Letter from TVA CEO Jeff Lyash	6
Energy	14
Environment	17
Economic Development	20
Communities	24
Employees	31
A Message From the Chair of the Board of Directors	37
TVA's Enterprise Leadership Team	38



Guide to Using TVA's Annual Report and Form 10-K

This Annual Report is intended to provide highlighted information of interest about TVA's business and operations during its fiscal year ended September 30, 2020. This Annual Report should be read in conjunction with TVA's Form 10-K Annual Report for the year ended September 30, 2020. The Form 10-K provides additional financial, operational and descriptive information, including TVA's financial statements. The Form 10-K also provides important information about various risks to which TVA is exposed in the course of its operations, which are important to consider before investing in any TVA securities. The 2020 TVA Annual Report and 2020 Form 10-K do not contain all information about TVA securities that is important for making investment decisions. Please refer to the appropriate Offering Circular, and any relevant supplements, for detailed information about TVA securities. TVA's Form 10-K can be found at tva.com/investors.

Forward-looking statements and certain factors that may affect our business

We have included in this letter and 2020 Annual Report "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act relating to our operations, results of operations and other matters that are based on our current expectations, estimates, assumptions and projections. Words such as "will," "plan," "believe" and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to, the factors discussed in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the sections entitled "Risk Factors." Our forward-looking statements speak only as of the date of this letter and 2020 Annual Report or as of the date they are made, and we undertake no obligation to update them.

A LETTER FROM TVA CEO JEFF LYASH

Built for the people

There are four words – “Built for the people” – that simply and eloquently describe TVA’s mission to make life better for the people of the Tennessee Valley. These are more than just words, it’s a standard we hold ourselves accountable to each and every day.

I am privileged and honored to lead the women and men of TVA as they serve the people of the Tennessee Valley. At TVA, our unique, long-standing mission of service drives and inspires us daily to pursue new ideas and innovative solutions that improve our service to you.

TVA was created and has continued to build on a clear mission to benefit the public good. That was our initial mission during the Great Depression. That was our mission while powering the nation to win World War II. It continued to be our mission during the following decades of American prosperity and growth.

And it is still our mission today. The challenges are different, but no less critical to the lives of those we serve — delivering vital services and support across the region during an unprecedented pandemic that has affected our families, communities, businesses and industries – and helping the Tennessee Valley recover and grow.

While a global pandemic was unforeseen, our employees spent the past several years preparing for potential challenges ahead by improving our operational and financial performance.

We’ve worked to significantly lower our operating and maintenance costs, improving both productivity and efficiency. These savings are passed on to our customers in terms of lower energy costs. Today, customers served by TVA enjoy rates lower than 70% of the largest utilities in the nation. And we are committed to keeping our energy costs stable for the next decade.



While we are a leader in carbon reduction – double the regional utility average – we aren’t satisfied. We are committed to increasing our carbon reduction while maintaining our focus on delivering the reliable, low-cost energy our customers expect and deserve.

Because of our renewed operational and financial strength and stability, TVA was able to continue demonstrating the value of public power by serving and supporting communities and families during the pandemic. TVA was positioned to quickly provide more than a billion dollars in programs to alleviate hardship and help our region’s economy get back on its feet, including:

- Made **\$1 billion of credit** available to local power companies (LPCs) and offered regulatory relief and flexibility so LPCs could make the right decisions to help their communities, including suspending electric disconnections.
- Created a **Pandemic Relief Credit of \$200 million** to be distributed among all LPCs, their large commercial and industrial customers and TVA’s directly served customers during FY 2021, which can be used to help with electric bills or other needs.
- Launched the Back-to-Business Credit Program with approximately **\$10 million in incentives** to help large customers return to work at pre-pandemic levels.
- Created the Community Care Fund that, including matching funds from LPCs and other partners, has already provided more than **\$4 million** through **more than 340 grants** to charitable and community organizations to meet local needs.

Even while providing COVID-19 recovery support, we did not forego our larger mission of service. Through our partnership with 153 LPCs, we continued to deliver reliable energy delivery, responsible environmental stewardship and new economic development opportunities for approximately 10 million people across our seven-state service area.

Those who live, work or build a business in the Tennessee Valley directly benefit from:

- Energy costs that are **lower than 70% of the nation’s**, and wholesale electricity costs that are lower than they were 10 years ago.
- Electric rates that TVA plans to keep stable and flat for the next decade.
- Economic development activities with our local partners that over the past five years have created and retained approximately **341,000 jobs** and over **\$45.4 billion in capital investment in the Tennessee Valley**. This includes attracting major companies such as Amazon, Facebook and numerous manufacturing jobs that support the growing Southern automotive industry.
- Approximately **67,000 jobs created and retained**, even during the pandemic, and **over \$8.6 billion in capital** invested in the region in FY 2020.
- Tax equivalent payments that contributed nearly **\$552 million in payments** to state and local governments in FY 2020.
- TVA’s management of one of the nation’s largest river systems, which helped **prevent \$1 billion in potential flood damage** in 2020 despite rainfall at 150% of normal levels during the wettest year on record.
- TVA employee and equipment response during restoration efforts following damaging tornados in Mississippi, Alabama and Tennessee.
- Significant public lands and waters managed by TVA that provide both conservation and responsible recreation, and serve as a driver for nearly **\$12 billion dollars of annual economic activity** across the Tennessee Valley each year.

It is worth noting that all these benefits are self-funded through TVA business activities, not through federal taxpayer support.

TVA at a Glance

Nation's largest public power provider

Supplying electricity to approximately 10 million people across seven southeastern states, working in partnership with 153 local power companies

Nation's second largest transmission system

In high voltage lines among United States utilities

Third largest nuclear fleet

In the United States, providing over 40% of TVA Energy

Largest renewable energy-producing utility in the Southeast

99.999% reliability

Consistently delivered to customers since 2000

56 Directly Served Customers

49 large industrial customers and 7 military and federal installations

Return 5% of power revenues to states

As tax equivalent payment, totaling nearly \$552 million* in FY 2020 and \$5.4 billion* in past 10 years

*Not including the tax equivalent impact associated with fuel cost adjustments.

TVA's Values, Strategic Advantages and Priorities

This is a business, and results count. But what matters most is how those results are achieved. At TVA, we treat each other with respect and do the right thing by accepting individual accountability and ownership to resolve issues. In short, we do what we say we are going to do.

Our "true north" is a set of principles and behaviors that guide our daily actions, our choices and our priorities.

For us to deliver our best each day and every shift, these values are foundational to everything else. Our TVA values include:



Safety

We are committed to the safety and well-being of each TVA employee and the communities we serve.



Service

We are proud to serve in the communities in which we live, work and play.



Integrity

We are honest and straightforward.



Inclusion

We strive to treat everyone with dignity and respect by welcoming each person's individuality so we can all reach our full potential.

To transform these values into tangible benefits for the communities and people we serve, we've established our strategic priorities. These will help us deliver more of the right things to the Tennessee Valley we love. Our five strategic priorities are:



People Advantage

TVA is a major employer in the region with nearly 10,000 employees with diverse skills and roles, people who are doing the utmost to benefit our communities and build the innovative energy future of tomorrow. We're proud that this year, TVA was ranked No. 2 on Forbes' list of America's Best Employers for the state of Tennessee. And for the fifth consecutive year, TVA achieved national recognition as a Top 10 Employer of U.S. military veterans. One in five TVA employees have served our country in uniform and we are proud to have them continue their public service with us at TVA.

TVA also continues to build a strong partnership with our union employees. This year we signed a landmark 10-year agreement – the first of its kind in the nation – that provides stability for our business and strengthens American job security.

The strength of our people has been tested as never before in delivering impressive performance gains and safety improvements. 2020 was one of TVA's safest years on record, with among the lowest recordable injury rates and serious injury rates in the industry nationwide.

Moving forward, our focus on People Advantage will deliver a culture that lives up to our values and accelerates the impact of diversity and inclusion within TVA and the communities we serve.



Powerful Partnerships

At TVA, we are committed to building relationships where we are seen as a community leader and trusted partner. We believe our customers know we are here for them and committed to meeting their needs. This is why 93% of the local power companies we serve have committed to long-term partnership agreements.

Through these partnerships, TVA is delivering strong results that benefit our stakeholders. We will provide low and stable energy rates during the next 10 years. During FY 2020, more than \$160 million in savings was returned to Valley Partners on wholesale energy bills. We have accelerated agreements to enable each partner to self-generate up to 5% of their energy, giving them the flexibility to meet their customers' clean energy goals.

Additionally, TVA is committed to having open and productive conversations with stakeholders across the Valley on ways TVA can provide even more value to those we serve.



Operational Excellence

Even while reducing our costs and maintaining stable rates, we are delivering results and strengthening our multi-state power system. Thanks to strong nuclear, hydroelectric, coal and gas fleet performance, we delivered the lowest fuel costs in more than 10 years.

We are actively enhancing the reliability of our vast power system and our individual plants. Our goal is to modernize TVA's 16,300-mile transmission grid and build on our best-in-class reputation for 99.999% reliability. And we are investing to build the TVA system of tomorrow through innovations like Grid 2023 and our new Systems Operations Center.

We are strengthening the TVA power system to withstand different types of challenges. We are working to create a system that uses data to optimize performance and predicts equipment issues, which will help us prevent them from becoming outages for our customers.

TVA has set clear goals to improve our nuclear fleet performance to the top quartile in the industry by the end of 2022 – and lead the nation by the end of 2025. We believe we have the resources, expertise – and most importantly, the dedicated people – to be among the best fleets in the nation.



Igniting Innovation

We are also prioritizing the evolution of our reliable and clean energy supply into the energy system of the future. TVA leads the region in cost-effective carbon reduction.

Through CY 2019, TVA has reduced carbon emissions by 55% compared to 2005 baseline standards. We are working to increase that number to 70% by 2030. This fiscal year, nearly 60% of TVA's power generation mix is carbon-free and we are committed to increasing our carbon reduction. We will deploy battery storage on our system in the 2022-2023 timeframe and our plans include a major utility-scale expansion in solar energy that is now under way and is setting the standard for the industry.

TVA is a lead sponsor in the Low-Carbon Resources Initiative launched by the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI) to further advance decarbonization technologies that could help us reach a carbon neutral position.

Our first-ever Sustainability Report provides comprehensive information about TVA's energy transformation and environmental resource management plans. Published in July 2020, it marks TVA's adoption of the Global Reporting Initiative (GRI) framework as the standard for environmental, social and governance (ESG) disclosures and reporting.



Financial Strength

It takes discipline to plan decades ahead so our energy costs are competitive, stable and predictable.

We are working to control our costs without impacting the safety, reliability or quality of our operations. In recent years, TVA has improved performance enough to cut \$800 million from our annual operating costs. In addition, debt is at its lowest level in 30 years, providing TVA with a strong balance sheet for investing in our future without impacting rates.

In FY 2020, TVA invested \$2.1 billion in capital expenditures and over the next three years we have plans to invest a further \$7.9 billion. We believe these investments, funded by our operations and access to capital markets, will help us make the power system of tomorrow a reality and deliver the performance, value and economic and environmental progress our stakeholders expect and deserve.

Despite decreased energy sales from COVID-19, net income remains favorable at \$1.4 billion and net cash provided by operating activities was \$3.6 billion for FY 2020.

As a public power company with a mission of service, that value gets redeployed back into making the Tennessee Valley a vibrant place to live, play, work and do business.



A Mission That Stands the Test of Time

The discipline, creativity and commitment of our team resulted in a year of exemplary performance in FY 2020. Even with the continuing challenges of the COVID-19 pandemic, we start FY 2021 with great momentum and opportunities to further advance the public good.

The world, the economy and our industry are changing rapidly. By living our values and focusing on our region's priorities, TVA is committed to delivering on a mission that is still as important today as it was when Congress passed the TVA Act in 1933.

In this recent pandemic, TVA's women and men were deemed "essential workers" – a label I believe they carry even in the best of times. Our goal is to do more than just keep the lights on in a seven-state region. We strive to answer the call and deliver what the people we serve need when they need it the most.

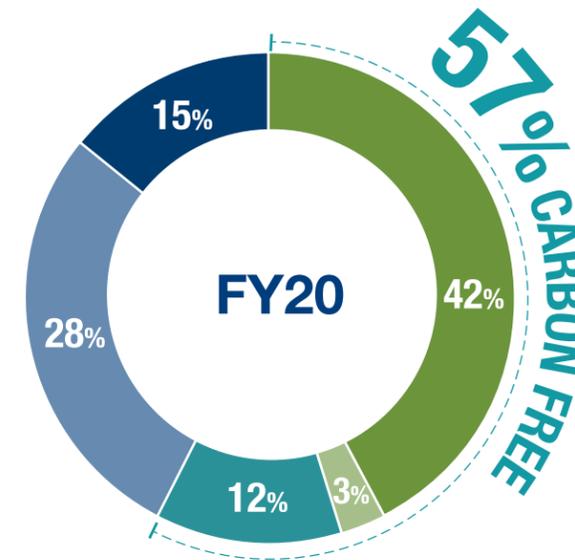
I am optimistic about the future of TVA and our region. My optimism is rooted in what I believe sets us apart – our people.

Jeff Lyash

Energy



Robust and Diverse Energy Portfolio



“During these extraordinary times, the benefits of public power have never been more evident. As other areas of the country experience rolling blackouts, millions of residents across the Valley continue to enjoy some of the lowest electric rates and highest levels of reliability anywhere in the country, because of TVA and its leadership. As the impacts of the pandemic became apparent, not only did TVA immediately step forward in its regulatory role to provide each LPC with the ability to offer flexibility in terms of payments and suspension of service, but it also provided much needed financial assistance to our customers through the Community Care Fund.”

Gregory J. Fay
CEO and General Manager, CUB

Since our founding in 1933, TVA has recognized that energy is the fuel that drives the public good. Tapping into the region’s vast hydroelectric potential – the original renewable power source – we quickly energized the area, creating better living and opportunities at home and at work while powering our nation’s defense during multiple wars.

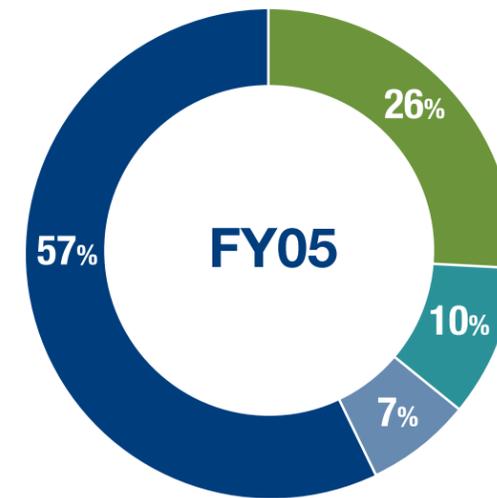
Today, TVA is the largest public power provider in the U.S. and one of the nation’s largest power producers. TVA partners with 153 local power companies to serve approximately 10 million people and over 750,000 businesses across a seven-state area. We operate the nation’s third largest nuclear fleet and second largest transmission network, and we produce more renewable energy than any other utility system in the Southeast.

Our robust and diverse power system allows us to consistently generate more power from the lowest-cost source. Our power is reliable – 99.999% reliable since 2000 – and increasingly clean with nearly 60% coming from carbon-free sources in FY 2020.

We believe it’s this combination of reliability and sustainability, offered at rates that are lower today than they were a decade ago, that attracts and retains new economic opportunities to the area. We also believe that our innovative work, evolving energy generation and our delivery will continue to drive an even brighter future for the people we serve.

“Since 1933, TVA has been committed to providing public power in the Tennessee Valley by partnering with those best suited to understand local needs, which are the local communities themselves. Erwin Utilities is proud to have partnered with TVA to provide safe, reliable and efficient service to the people of Erwin and Unicoi County since 1945. We look forward to TVA’s continued partnership to preserve and support local power companies, large and small, to ensure that each community, regardless of size, is able to provide public power that meets unique local needs.”

Lee H. Brown
President and CEO,
Erwin Utilities



- Nuclear
- Hydro
- Wind & Solar
- Coal
- Gas

*Chart depicts both generated and purchased power within respective resource types. In addition to power supply sources included here, TVA offers energy efficiency programs that effectively reduced FY20 energy needs by about 2,300 GWh or 1.5%.

Innovative

TVA is incorporating modern technology into grid operations that will help prevent outages and restore power more quickly, as well as give us more control over how the grid operates and behaves. This work helps address market demands that require a more flexible system that can integrate solar power, automation, electric vehicles and more.

Clean

As renewable resources become less expensive and more advanced, we are developing innovative new energy systems in coordination with LPCs to further reduce our carbon emissions and provide customers with cleaner power without sacrificing reliability or cost.

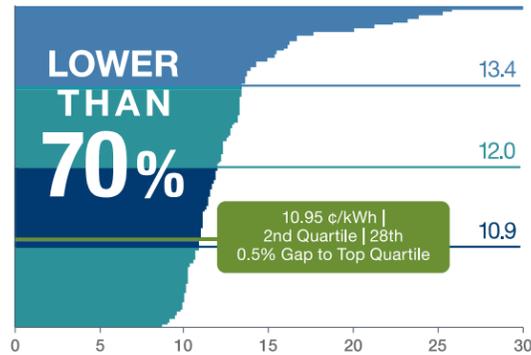
Reliable

TVA has delivered 99.999% reliability since the year 2000 across 16,300 miles of transmission lines. We continually invest in new transmission lines and facilities to ensure we can provide power reliably where and when needed, even in the most demanding conditions of heat and cold.

Low Cost

Because of the diverse make-up of our energy portfolio and our efficient operations, TVA has kept energy rates low and stable. TVA rates are lower than 70% of the top 100 U.S. utilities. Thanks to strong nuclear and hydro performance, we delivered the lowest fuel costs in over 10 years, and we are working to keep electricity rates stable for the next decade.

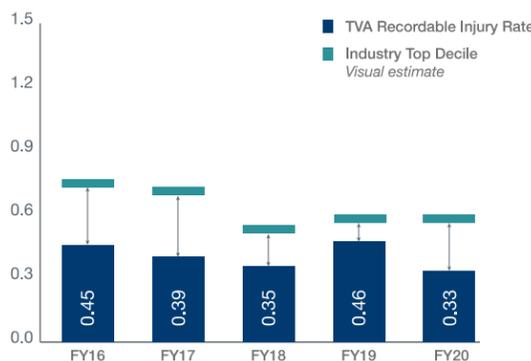
Residential Rate Competitiveness
Among Top 100 U.S. Utilities – Dec 2019



Safe

2020 was one of TVA's safest years on record, and compared with industry peers nationwide, TVA has one of the lowest rates in both recordable injuries and serious injuries. TVA's focus on reducing serious injuries using innovative trend tracking and metrics, strengthening employee engagement in vital safety behaviors and enhancing governance and oversight through the local Health and Safety Committees has led to TVA's impressive safety record.

Recordable Injury Rate vs. Industry Top Decile



Partnerships

In addition to keeping our energy systems low-cost, clean, reliable and safe, we are equally focused on our valuable customer partnerships. Currently, 93% of LPCs have committed to long-term partnership agreements with TVA, which means together we will help further modernize the region's power system and better serve the people in the Valley. We've also accelerated agreements that enable partners to self-generate up to 5% of their energy needs, giving them more flexibility to meet their customers' unique needs or clean energy goals.

Our partnerships extend across the country as we identify the best suppliers in the industry to provide products and services that meet TVA's requirements. TVA is committed to conducting all our activities with a high level of integrity to maintain public confidence, and our suppliers must share this TVA commitment to integrity. In FY 2020, TVA spent almost \$2.9 billion with U.S. based suppliers, purchasing a wide variety of materials and services, including equipment, repairs, professional services and more.

Also, since its inception, TVA has proudly supported national defense efforts, including powering the initial Manhattan Project research and World War II production of aluminum. Today, TVA partners with Oak Ridge National Laboratory on cutting-edge research and also produces tritium for the nation's nuclear defense program.

"TVA and Local Power Companies can help determine cost-effective ways to take advantage of technology advances to innovate the power industry. Our partnership is uniquely suited to seek answers to tough challenges, like cost-effectively integrating distributed energy resources into the grid, building new approaches without burdening those who can least afford it and pursuing environmental justice without skyrocketing costs. Public power is well suited to navigate uncertain waters without unduly increasing costs to end-use customers."

Wes Kelley
President and CEO, Huntsville Utilities

Environment

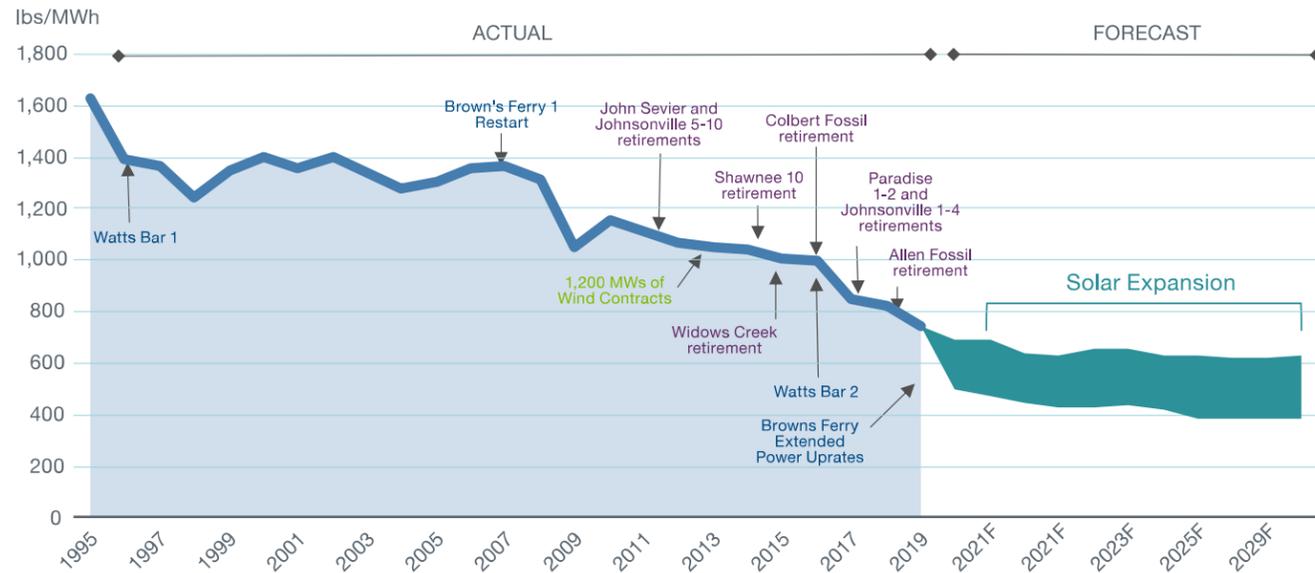
TVA leads the region in carbon reduction. But we aren't satisfied. TVA is committed to increasing our carbon reduction efforts while maintaining our commitment to delivering the low-cost, reliable energy our customers expect and deserve.

Carbon reduction is at the center of TVA's sustainability strategy. Through CY 2019, TVA has achieved a 55% reduction in its carbon emissions compared to 2005 baseline standards. We are working to increase that number to 70% by 2030 and planning additional reductions beyond 2030. We are striving to build the clean energy system of tomorrow today and we are working on innovative technologies that we believe will deliver meaningful, impactful progress.

This year, we issued our first Sustainability Report to highlight TVA's plans and progress as a business and community partner to build a stronger, more sustainable future together. The report uses the Global Reporting Initiative (GRI) as the standard for TVA environmental, social and governance (ESG) disclosures and reporting to increase transparency to our stakeholders and align our strategy with the United Nations' Sustainable Development Goals (SDGs).

TVA's sustainability report is a roadmap of our progress to date across the entire Tennessee Valley. We believe our commitment to carbon-free energy is essential for the environment and our ability to attract and retain major businesses and customers seeking to meet their own ambitious sustainability goals. We believe it improves our delivery of reliable, low-cost and increasingly renewable energy; deepens our care of the Tennessee River system and public lands and strengthens our ability to attract investment in the Valley by major businesses that create jobs and support economic growth.

TVA's CO2 Emissions Rate



Clean Energy and our Low-Carbon Future

This fiscal year, nearly 60% of TVA's power generation mix is carbon-free. Through calendar year 2019, we have reduced carbon emissions from our plants by 55% compared to 2005 levels – and we plan to go even further. We are currently on path to reduce carbon emission rates 70% from 2005 levels by 2030. TVA is a lead sponsor of the Low-Carbon Resources Initiative launched by the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI) to advance decarbonization technologies that could help us achieve a carbon net neutral position.

Solar

The price of renewable resources, particularly solar, continues to decline; and consumer demand for renewable and distributed energy resources is growing. At TVA, we are actively adjusting and expanding our business model to incorporate these resources and we are collaborating with LPCs on several renewable projects. We have contracted for additional solar that increased total operating and contracted capacity approximately 70% in FY 2020 – and we are currently evaluating multiple major utility-scale projects up to 200 megawatts each that resulted from an RFP issued in March 2020. Projects are expected to be announced in late 2020 and expected to be brought online by the end of 2023.

Solar Power Partnership

In 2019, TVA partnered with East Mississippi Electric Power Association, the Department of the Navy and solar power company Silicon Ranch on a 6 megawatt solar facility at the Naval Air Station in Meridian, Mississippi. The facility includes more than 15,000 solar photovoltaic panels that produce enough solar energy to power more than 750 homes. This solar power site provides clean, renewable power to the electric grid at a cost-competitive rate, and it reflects TVA's ongoing commitment to provide local renewable energy generation as a fully integrated part of the larger power system.

Knoxville Utilities Board (KUB) and TVA's Chris Hansen were honored as 2020 Solar Champions by the Tennessee Solar Energy Industries Association (TenneSEIA). Hansen led the development of TVA's portfolio of renewable options, including the Green Invest program. KUB is the first local power company to participate, securing 212 megawatts of new-to-the-grid solar power for its customers. We expect KUB's investment in solar to generate an amount equal to approximately 8% of KUB's annual electric load, the equivalent of powering 35,000 average homes.

Maintained flat effective wholesale power rates over the past seven years

While investing over \$15 billion in the power system and reducing debt by over \$6 billion

Preserve the rich cultural and historic resources in our area

Support protection of water, land and air species

In one of the most bio-diverse areas of North America

Carbon-emission rate 22% below the national average

Based on the latest data from 2019

Operate and maintain 49 dams

Along the 652-mile Tennessee River system, providing flood control, river navigation and water supply

Generate nearly \$12 billion per year

In economic benefits through outdoor recreation activities for the Tennessee Valley along the waterways

Battery Storage

Already a leader in hydroelectric power generation, TVA is exploring grid-scale, battery energy-storage systems. In September 2020, we announced our first TVA-owned battery-energy storage system will be installed near the East Tennessee town of Vonore, about 35 miles southwest of Knoxville. When operational in 2022, we expect the battery energy system will be able to store 40 megawatt-hours of energy to supplement the high-quality power that TVA provides to its customers. That is enough electricity to power more than 11,000 homes for three hours. This project also will be a testbed for the positive effects batteries can have on TVA's transmission system. The goal is to be ready to add more battery-energy storage systems in a relatively short time as costs for this technology continue to decrease.

Customer Carbon Awards and Support

In an effort to encourage energy efficiency, TVA established annual carbon reduction awards for the top performing and most-improved companies across the Valley. TVA currently offers two awards for both directly served customers and LPC-served businesses to commemorate their accomplishments on environmental excellence in the Valley: 1) Leadership Circle – for those achieving the lowest emission rates in a year and 2) Most Improved – for those with the most year-over-year carbon emission improvement.

River Management Climate Change Impact Assessment

In FY 2020 – the wettest fiscal year on record – we estimate TVA's river management activities helped prevent an estimated \$1 billion in flood damage. As part of TVA's role as keeper of the Tennessee River, we work to assess – and mitigate – the possible impacts of climate change on the Tennessee River system, utilizing national climate data. For example, outputs from the sixth Coupled Model Intercomparison Project (CMIP6) will be sampled to adjust TVA's long-term temperature and precipitation records to appropriately reflect the potential future climate. These adjusted forecasts will then be run through a long continuous simulation and series of short flood simulations. The river system inflows, river flows and reservoir operations will be modeled to create a realistic picture of the future river, including flood risk reduction, river navigation, hydroelectric power production and water quality. We take our role as manager of the vibrant and beautiful Tennessee River very seriously, and we know many people across the Valley depend on our addressing potential impacts on the river.

Green Programs

TVA tracks renewable energy commitments and claims, in part, through the management of renewable energy certificates (RECs). This mechanism allows businesses and individuals to purchase RECs through TVA to meet their renewable energy and sustainability goals. TVA offers Green Programs in partnership with LPCs, which makes it easy for end-use consumers to purchase RECs for their personal sustainability goals.

Economic Development



Advancing the Economy of the Tennessee Valley

TVA Economic Development serves the seven states that make up the TVA service area: Tennessee, Mississippi, Alabama, Georgia, North Carolina, Virginia and Kentucky. Through our partnerships with other economic development organizations — regional, state and community organizations — we offer site selection services, incentives, research and technical assistance to help companies locate, stay and expand existing operations in the Tennessee Valley. This strategic approach has delivered record-setting economic development success over the past five years Valley-wide.



Attracted and Retained Approximately

341,000 Jobs and over \$45.4 Billion Direct Investment in the Valley FY16 – FY20

Top Utility in Economic Development 15 Consecutive Years

By Site Selection Magazine

Notable Wins

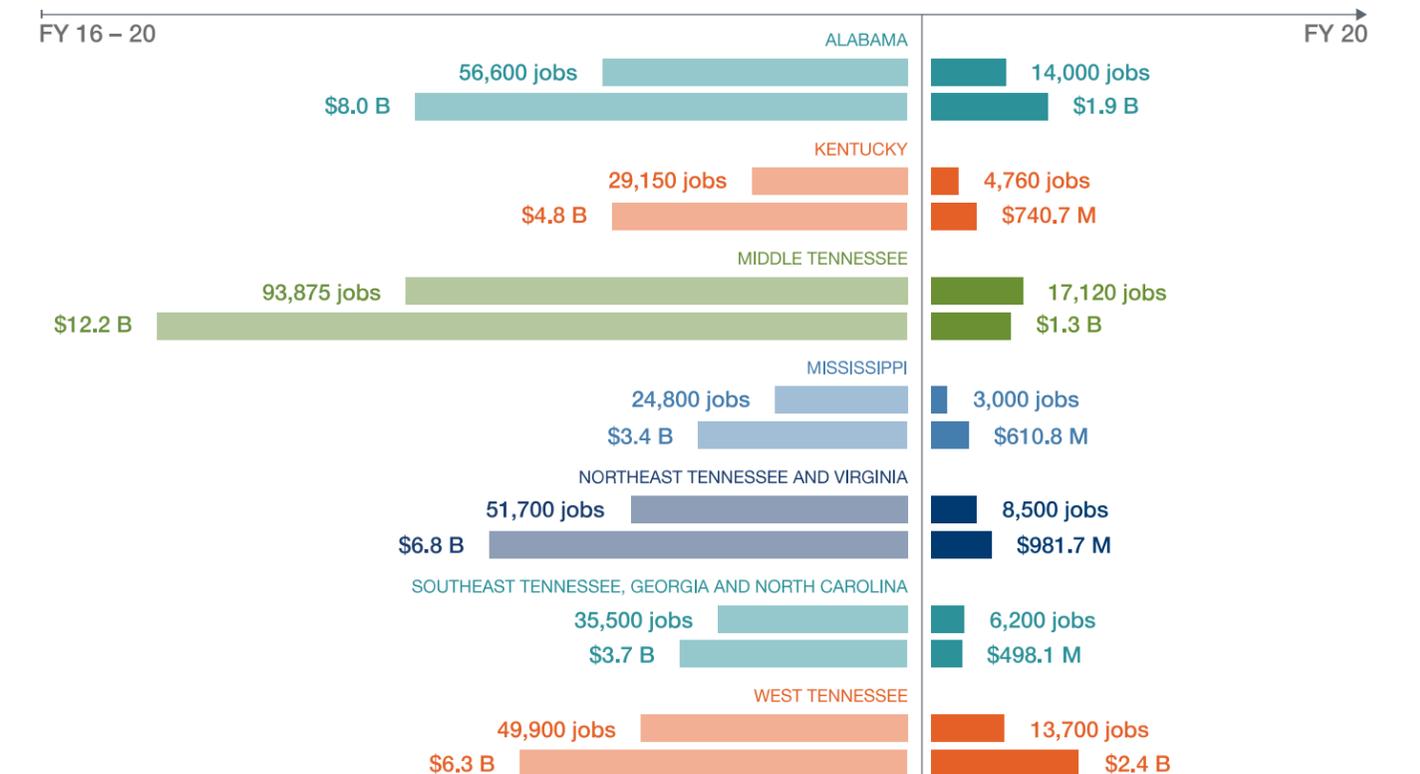
Boeing, LG Electronics, Volkswagen, Amazon, Alliance Bernstein, Bridgestone, Denso, Facebook, Google, Nokian Tires, Mazda-Toyota, Tyson, Nissan, Philips Healthcare

TVA delivers low energy costs, high reliability and clean energy that customers and businesses demand. We believe these powerful competitive advantages, combined with TVA’s industry-leading economic development program, have successfully attracted a wide variety of industrial, manufacturing and office-related jobs to the Tennessee Valley.

TVA’s strong track record has continued amid the economic impact of the COVID-19 pandemic. In FY 2020, TVA helped create and retain approximately 67,000 jobs and over \$8.6 billion in capital investment. We attracted companies to bring innovative industries and greater opportunities for businesses and working people in the cities and rural communities we serve. In the past five years alone, TVA has helped deliver approximately 341,000 jobs and over \$45.4 billion in capital investment to the Tennessee Valley.

Our strong business program allowed us to direct 80% of all economic development funds back to local businesses that advance the bulk of economic activity and job creation in the Valley.

Job Creation and Capital Investment (Approximate)



Driving Opportunities with Customers and Communities

At TVA, no two economic development projects are the same. We continue to learn and enhance our programs based on the direct feedback we hear from all our partners – from CEOs to site workers. We develop innovative solutions that advance the public good and benefit the region, employers and communities in the areas we serve.

Google

Learning from our clients makes us better. TVA worked with Google to attract data centers to the region through a \$600 million capital expenditure program that created nearly 70 jobs. Low energy costs, 99.999% reliability and clean, renewable energy to meet Google's carbon goals were the winning factors. The Google data center in Scottsboro, Alabama changed the landscape and improved school systems and livability in the area, resulting in positive impacts for other small, minority and women-owned businesses. Data center expertise enabled TVA to attract Facebook and other tech companies to the region and the need for cloud computing and data services is only growing with COVID-19.

Amazon

Amazon announced plans in November 2018 to locate an Operations Center of Excellence in Nashville, Tennessee. Plans for this project include a 5,000-person operations center, including positions in information technology, customer interfacing and research and development. The projected capital investment is approximately \$230 million and with plans to use up to 5 megawatts of power. This announcement represents the single largest initial jobs announcement in TVA Economic Development history.

TVA worked on the Amazon headquarters project. Through that work, and because of the State of Tennessee and TVA's relationship with the company, Amazon selected Nashville as the right fit for its Center of Excellence.

Mazda / Toyota

In 2018, Mazda Toyota announced plans to locate an automotive original equipment manufacturing facility on a TVA-Certified Megasite in Huntsville, Alabama. The announcement included plans to create 4,000 new jobs and invest \$1.4 billion.

The company has since announced plans to increase investment in the Huntsville, Alabama facility by \$830 million. This additional commitment brings the total investment in the state-of-the-art facility to \$2.3 billion, adding new cutting-edge technologies to its production lines and providing enhanced training to its workforce.

Since the first announcement, Mazda Toyota suppliers have planned new facilities on-site and nearby in Limestone County. So far, those suppliers have announced nearly 1,800 new jobs and \$600 million in new investment. Additionally, numerous existing suppliers in the region have added new contracts to serve the operations. Including the supplier effect, the project totals nearly 6,000 new jobs and \$3 billion in investment.

Helping Rural Communities Compete for Jobs and Capital

Over half of TVA projects in FY 2020 were located in rural communities, resulting in \$3.8 billion of capital investment and 30,500 jobs. More than 85% of Valley communities are designated as a Rural or Special Opportunity County (SOC) and TVA Economic Development has designed programs tailored to meet the needs of these areas.

InvestPrep product development program:

An innovative product development program that leverages funds to help communities prepare sites and buildings and ultimately become more marketable for development. The success of the InvestPrep program has resulted in more than \$1 billion in capital investment over the past eight years and 5,000 jobs from company announcements across the Tennessee Valley.

Rural Leadership Institute:

A program that provides professional development and training to rural economic development professionals for greater leadership positions in their communities.

Rural Economic Development Cabinet:

An eight-member think tank of rural economic development professionals that helps generate new ideas and serves as a sounding board for concepts specific to rural communities.

Rural Certified Communities:

A comprehensive certification program – generated by the Rural Economic Development Cabinet – provides economic development organizations with independent and authoritative feedback on their operation and structure.

Co-Working Space Initiative:

Fosters a stronger co-working space in which workers for different companies share office space. This Valley-wide initiative provides additional flexibility in work environments and encourages more innovation efforts as the number of entrepreneurs, freelancers, remote workers and small businesses grows. A co-working space grant opportunity has been launched in SOC/Rural counties to assist with start-up enhancement expenses and educational programming.

SOC Performance Grant:

A program through which TVA makes investments in competitive economic development projects in SOC Counties throughout the TVA region. This program assists smaller economic development projects that will be impactful for communities with greater economic needs.

Supporting Businesses During COVID-19

TVA is no stranger to economic hardship. The agency and its unique, long-standing mission of service were born in the Great Depression. Our mission is as relevant today as it was when TVA was founded. Throughout the unprecedented COVID-19 pandemic, TVA has continued to support existing businesses, recruit new businesses and jobs and enhance community development.

In May 2020, TVA made certain modifications to its Investment Credit program to support the continued operations and recovery of participating customers experiencing financial and operational hardships as a result of the COVID-19 pandemic and resulting economic downturn.

Additionally, the Special Opportunity County (SOC) Telework Technology Grant program has been established to provide technological equipment to our most economically distressed communities as they adapt to the new telework environment.

Despite the challenges we've faced this year, we are still seeing new companies coming to the region and delivered strong numbers with approximately 67,000 jobs attracted or retained and over \$8.6 billion of capital investment in FY 2020.



Communities

TVA's long-standing mission of service is to serve the people of the Tennessee Valley to make life better.

Our mission continues to be as relevant today as it was when TVA was founded in 1933. At the core of our mission is providing clean, reliable, low-cost electricity; creating jobs through robust economic development efforts and environmental stewardship programs that protect and enhance some of the most beautiful and productive lands and waterways in the United States. At TVA, we are committed to pursuing new ideas and innovative solutions that improve service to our customers.

Community Care Fund: Helping Our Neighbors During COVID-19

Our nation and world experienced unprecedented hardship this year with the COVID-19 pandemic. The Tennessee Valley was no exception, and our communities felt the impact.

Consistent with our mission to serve, TVA moved quickly to launch the Community Care Fund in April 2020 to help address hardships and challenges created by the pandemic. The fund was an immediate way to give back to the community, providing relief and easing the burdens families and businesses are experiencing during this time of uncertainty. The fund leverages the strength of the Tennessee Valley Public Power Model to serve communities and customers in need. We are honored to give back and support local communities during this challenging time.

Additional Community Support through the \$200M Pandemic Relief Credit

To help communities and businesses recover more quickly from the pandemic, TVA extended a special \$200 million Pandemic Relief Credit for the coming fiscal year for LPCs, their large commercial and industrial customers and TVA's directly served customers. This temporary wholesale rate reduction allows each customer to apply the savings in the best way possible to invest in their communities and support those they serve. That means \$200 million is going back into communities in the form of retail rate reductions, bill assistance for those in need, upgraded system infrastructure to maintain reliability and more.

Community Care Fund

April - September 2020

Partnered with 130

Local power companies

Provided more than 340 grants to charitable and community organizations

Over \$4 million

In local contributions & TVA matching funds to address hardships created by the COVID-19 pandemic

Making the Tennessee Valley a Better Place for Everyone

Quality of life is central to economic growth. We understand the value of developing sustainable programs in a way that also sustains resources and enhances the lives of those who live and work in our communities.

TVA manages its public lands and waterways to support recreation, helping make the Tennessee Valley one of the best places in the country to live, work and play. For example, we knew that with so many lockdowns and a lack of recreation opportunities at the onset of COVID-19, it would be important to make sure recreation and outdoor activities were abundant and accessible. That is why we worked hard to ensure kayak and river-rafting options were open and available for the public as a way of encouraging physical activity and getting people outdoors.

As part of our larger recreation offerings, we allowed visitors to safely enjoy the outdoors on TVA land and waterways, which generates nearly \$12 billion of economic activity in an average year.



Public Service Mission in the Community

We are proud of our employees and their commitment to TVA's mission of service. With more than 4,400 hours of volunteer time performed by our nearly 10,000 employees in FY 2020, we have provided ongoing support and assistance in local communities across the Tennessee Valley. Our Community Relations program supports this commitment through:

Education

TVA contributes to our local youth through educational programs and competitions focused in the fields of science, technology, engineering and math (STEM) and robotics in both primary and secondary schools. By concentrating our efforts on STEM and robotics for school-related assistance, we are educating the future workforce and building a pipeline of prospective employees for TVA and other businesses in the Valley. We strengthened this commitment through our investments of more than \$1.1 million in grants for STEM and robotics and sponsored over 200 robotics competitions in FY 2020.

Human Relief Services

We proactively partner with local nonprofit organizations delivering disaster relief and helping meet basic needs during times of need. We have increased those efforts to support unforeseen challenges of the COVID-19 pandemic. During FY 2020, over 1 million meals were distributed through our Feeding America Partnership to ensure that people in need in our communities have access to healthy, nutritious meals when they're needed most.

Community Enrichment

TVA supports civic activities that support TVA's core business objectives and key stakeholders. Partnering with our LPCs and directly served customers, we are here to support and strengthen communities across the Valley.

Community Partnerships

TVA and the Tennessee Urban League Affiliates Partnership

TVA and the Tennessee Urban League Affiliates partnered to launch a pilot program in FY 2020 that provided technical and soft skills training to increase minority participation in TVA EnergyRight's Quality Contractor Network (QCN) Certification. This Certification enables contractors to work in TVA's Residential Services programs, which offer energy efficiency services to homeowners. The Urban League Affiliates that participated include the Urban League of Greater Chattanooga Inc.; Memphis Urban League; Knoxville Area Urban League and Urban League of Middle Tennessee. As of June 2020, 30 minority contracting businesses achieved QCN membership.

Cumberland Fossil Fuel Plant Employees Partner with Local Schools on Robotics Program

Employees at TVA's Cumberland Fossil Plant in Cumberland City, Tennessee, launched a robotics program in the Stewart County School System through TVA's robotics partnership with VEX Robotics. Robotics teams were created at Stewart County's high school, middle school and two elementary schools, providing students with opportunities to hone their engineering abilities as well as life skills such as team-building and critical thinking. TVA provided robotics kits and teacher training while plant employees mentor these team members who represent the next generation of engineers, scientists and leaders in the community.

Generating Justice Pro Bono Program

Through the Generating Justice pro bono program, TVA's Office of the General Counsel attorneys and other professionals – and outside private law firm and legal aid organization pro bono partners – donate legal knowledge and skills to help lower barriers that affect lower-income individuals, especially during the COVID-19 pandemic. In FY 2020, it produced estimated total client savings of up to \$110,000 – a significant amount even without factoring in the value of resulting housing, financial and personal benefits.

Storm Response

In early 2020, TVA and its LPC partners in Middle Tennessee, Chattanooga and Mississippi faced the unexpected challenge of devastating tornadoes ripping through communities. As soon as the tornadoes struck, TVA and local power companies dispatched crews that worked hand-in-hand to help those in need. Together, we identified priorities, helped ensure the safety of our residents and restored power as quickly as possible. TVA and local power company line crews and other employees worked countless hours in adverse conditions in service to Valley residents and businesses.

"TVA's financial and volunteer support of Boys & Girls Clubs of the Tennessee Valley has enabled our organization to meet the needs of more than 8,000 kids this year and more than 3,500 during the COVID-19 pandemic. The partnership has helped us ensure kids' basic needs are met, educational opportunities and support are abundant and effective and that our members are learning and choosing to make healthy choices."

Bart McFadden

President & CEO, Boys & Girls Clubs of the Tennessee Valley



Community Care Fund

United Way of Greater Chattanooga

TVA and Electric Power Board of Chattanooga together donated \$160,000 to the United Way of Greater Chattanooga's Restore Hope Fund, which channels funds to nonprofits working to meet the most pressing, on-the-ground needs of those financially impacted by the pandemic. In total, the fund raised over a \$500,000 and has helped more than 800 households cover housing or utility costs so families could remain in their homes despite job or income loss due to the economic downturn created by the pandemic.

"For more than five years, Mid-South Food Bank has been proud to receive funds from TVA. Their support is recognition of the need for our mission and that we are doing good work to make life better for people in our community living with food insecurity. TVA's support for our Mobile Pantry program provides nutritious food to families in 30 counties, including many rural areas where our trucks can go directly to people living in food deserts. TVA also supports our Healthy School Pantry program so that kids and their families have easy access at school to a monthly box of wholesome food. And their generosity continues with support for our Covid-19 response efforts, allowing Mid-South Food Bank to nearly triple its food distribution capacity to meet the need of those who have lost their jobs, have children unexpectedly out of school or who are isolated at home, recovering from the virus. Mid-South Food Bank takes one worry off the table – having enough food. We are only able to accomplish this through the generous support of caring partners like TVA."

Cathy Pope
President & CEO,
Mid-South Food Bank

"This year has brought unique challenges to our community and in the midst of a time where it is easier to withdraw, we are grateful that we can count on partners like TVA to help support neighbors in need. TVA has been crucial in supporting United Way of Greater Chattanooga's pandemic response and recovery efforts like the Restore Hope Fund, which has helped over 2,000 individuals secure basic needs thus far in 2020."

Lesley Scarce
President and CEO, United Way
of Greater Chattanooga



Mid-South Food Bank

TVA partnered with Memphis Light, Gas and Water (MLGW) to support the Mid-South Food Bank through corporate contributions and employee volunteer events to support the area's most vulnerable residents. When the pandemic hit, the Food Bank's mobile pantry program became a lifeline for many as more families and seniors than ever before needed help getting food on the table. TVA and MLGW together donated \$150,000 to the pantry to stock truckloads of food at 17 mobile pantry sites and pop-up food distributions events every day. Nearly 17.5 million pounds of food was distributed to thousands of food insecure households in the first several months of economic impacts from the pandemic.

Lauderdale County (AL) School System

TVA partnered with the Florence Electricity Department to jointly donate \$20,000 to the local Alabama school system to help keep students connected and learning through the challenges posed by the pandemic. The funds are helping expand remote and virtual learning options with technology assistance for students. As kitchens and couches are transformed into classrooms, the joint donation helps ensure kids have access to the tools they needed to stay on track academically and safely interact with their teachers and classmates.

Nourish One Child

TVA and Scottsboro Electric Power Board partnered to donate a combined \$5,000 to Nourish One Child, which provides food for food insecure children for when they aren't receiving in-school meals. During the pandemic, the organization is working with Scottsboro City Schools to provide bags of food three days a week for the school system to distribute to children in need. With students learning from home, these deliveries meant the difference between hunger and having balanced options of proteins, fruits, dairy and grains to supplement what they might receive otherwise at home.



4,400+ Employee Volunteer Hours

In fiscal year 2020

\$200 Million Pandemic Relief Credit

For TVA's LPCs, their large commercial and industrial customers, and TVA directly served customers

Over \$4 Million

Total funds disbursed by the Community Care Fund (TVA and Matching) in fiscal year 2020; additional \$2 Million Available

Sponsored 200+ Robotics Competitions

350 teams in fiscal year 2020

Approximately \$10 Million Back-to-Business Incentives

For certain large commercial & industrial customers

\$1 Billion in Credit Support

Available to 153 local power companies across seven states

Employees

The strength of TVA is its people. An experienced, talented and diverse workforce of nearly 10,000 women and men committed – each and every day – to improving the quality of life for the approximately 10 million we serve.

At TVA, our unique, long-standing mission of service drives and inspires our employees to continually pursue new ideas and innovative solutions that improve our service to our customers. This year, we faced a unique challenge: keeping the lights on while also keeping our teams safe and healthy during a global pandemic.

Our dedicated workforce overcame these challenges, delivering vital services and support across the region. Our employees are on the job every day generating power, controlling river flows, restoring power after storms, helping the economy recover and much more.

Despite the challenges presented by the pandemic, our employees delivered for the customers and communities we proudly serve. We are committed to ensuring that our region continues to make a strong recovery from the pandemic.

Highlighting Our Employees

Our dedicated and talented employees are committed to TVA's unique, long-standing mission of service. Through their efforts, TVA provides low-cost, reliable and clean energy; attracts businesses and jobs to the region and protects our natural resources through environmental stewardship. We are proud of their commitment of service to you. Below are highlights of a few of our employees.

Dr. Noelle Currey

In early 2020, Dr. Noelle Currey was awarded TVA's highest engineering honor — Ike Zeringue Engineer of the Year — after being nominated by her peers and leaders based on criteria that include project performance, continuous improvement and a commitment to safety. Currey is a TVA project engineer in Transmission Power Supply & Support with eight years of service.

Currey received the award for a programming solution that checks electrical drawings with 100% accuracy to eliminate errors and rework. In under a minute, the program can evaluate thousands of wires contained in switch house panels — previously reviewed one at a time. The estimated cost savings for TVA is several million dollars. Her work helps TVA deliver 99.999% power reliability, as it has since 2000.

"TVA is built on the work of dedicated employees; and each year, we have the distinct pleasure of recognizing an individual who exemplifies excellence in the engineering field and commitment to TVA's mission of service," said TVA President and CEO Jeff Lyash. "Noelle's innovation is helping TVA to continue to generate low-cost, reliable, clean energy — a key factor when companies choose to relocate or expand in our region."

Each day, Currey makes sure TVA's transmission power supply projects are completed on time and on budget, which keeps TVA power rates among some of the lowest in the nation.

"Noelle has distinguished herself as a leader who helps keep electricity flowing to our homes and businesses," said Bob Dalrymple, TVA senior vice president, Transmission & Power Supply. "More importantly, her automated solution ensures the continued safety and high performance of TVA's grid through lower production cost and error reduction."

Currey is a graduate of the University of Tennessee-Chattanooga with a bachelor's degree in electrical engineering. Currey earned her master's and doctorate degree in mechanical engineering from Georgia Institute of Technology.

TVA's top engineering award is named for O.J. "Ike" Zeringue, a former TVA president, chief operating officer and chief nuclear officer.



Lawanda Hayes
Sr. Program Manager, Dam Safety, Navigation and Fossil Projects



Melissa Washburn
Aircraft Pilot, Transmission Aircraft Services



Jon Michael Mollish
Fisheries Biologist

Named the No. 2 Employer

In the State of Tennessee on the Forbes' list of America's Best Employers

2020 Diversity Impact Awards™ Top 10

Enterprise-Wide ERG Award
By Association of ERGs & Councils

Named a 2020 Leading Disability Employer

By the National Organization on Disability

Veterans make up nearly 20% of the workforce

Top 10 Military Friendly® Employer

National recognition

Military Spouse Friendly® Employer

National recognition

Safety: Top Decile

In recorded injury rate

Safety: Top Decile

In serious injury rate

Inclusive Culture

At TVA, we recognize now more than ever that **inclusion and diversity are integral to our mission of serving the people of the Valley** to make life better.

TVA values an inclusive culture, founded on respect and compassion for everyone. This year we focused on the [TVA Mission of Service](#) and heard directly from our employees on how this translates to making everyone feel a part of the TVA family.

TVA achieved national recognition for the fifth consecutive year as a “[Top 10 Employer](#)” for its support of U.S. military veterans in the workforce. We are proud that veterans comprise nearly 20% of our workforce and each adds strength and value to the [entire organization](#).

TVA was recognized as a [2020 Leading Disability Employer](#) for the second consecutive year. TVA prides itself on creating an accessible and inclusive space for those with disabilities and prioritized that initiative by starting ABLED, the employee resource group for Awareness Benefitting Leadership and Employees about Disabilities in 2015.

TVA’s employee resource groups received a 2020 Diversity Impact Award from the Association of ERGs & Councils. Since 2014, our ERGs have helped advance meaningful understanding of and actions on diversity with inclusion throughout the enterprise and the communities we serve.

TVA achieved recognition on the Forbes list of America’s Best Employers for 2020 – ranking as the No. 2 employer in the state of Tennessee.

[Recognizing Military Service \(Click to learn more\)](#)



[Jeff Lyash on Inclusive Culture \(Click to learn more\)](#)

Safety: Our Employees Deliver One of TVA’s Safest Years Yet

Safety is one of TVA’s core values, and it’s an area where we ranked among the best in the industry in FY 2020 – top decile in recordable injuries and top decile in serious injuries. TVA’s focus on reducing serious injuries and strengthening line engagement have led to TVA’s strong safety performance in the last year.

Back in early 2020, Power Operations implemented the use of safety blitzes – a safety walkdown by employees from other sites – starting at Cumberland Fossil Plant in Tennessee. This effort proved so successful these visits are now conducted routinely during the first week of outages across the Power Operations fleet.

In Kentucky, TVA’s Shawnee Fossil Plant significantly improved worker safety by assembling a proactive learning team centered on improving how employees report near miss incidents, which helps trend the level of safety risk. In addition, our hydro fleet is piloting a new process at Kentucky Hydro Plant to improve safety communication between site personnel and contractors.

Our nuclear fleet has used observations to identify potential lack of Human Performance tool usage, which helps avoid potential serious safety events at our plants, such as Browns Ferry Nuclear Plant in Alabama.

In our gas fleet, including Ackerman Combined Cycle Plant in Mississippi, we’ve improved our safety suggestions process, which has contributed to excellent safety performance in Gas Operations with zero recordable injuries in FY 2020.

Operating across the TVA territory, our Transmission organization has focused on more detailed pre-job briefs to ensure employees understand the potential risks associated with their tasks. Generation Construction and Fleet Services has performed numerous assessments of our contract workforce and addressed problem areas, such as rigging plans, to improve overall safety performance with our contract partners.

Union Partnerships

TVA’s employees and contract partners are represented by 17 labor unions. Our partnerships with these unions go back more than 80 years and form the backbone of TVA and our ability to serve the people of the Tennessee Valley. This year, to ensure continued low-cost, reliable energy to residents across the Valley:

TVA and the Trades and Labor Council for Annual Employees announced a 10-year extension on their agreement.

TVA and North America’s Building Trades Unions announced a 10-year extension of their Project Labor Agreement.

Code of Excellence

In 2018, TVA and seven annual councils, along with the Teamsters Union, began our Code of Excellence partnership with a shared commitment to Safety, Professionalism, Accountability, Relationship and Quality.

Union-led labor management panel partnered to reduce grievances by more than 200% since 2018.

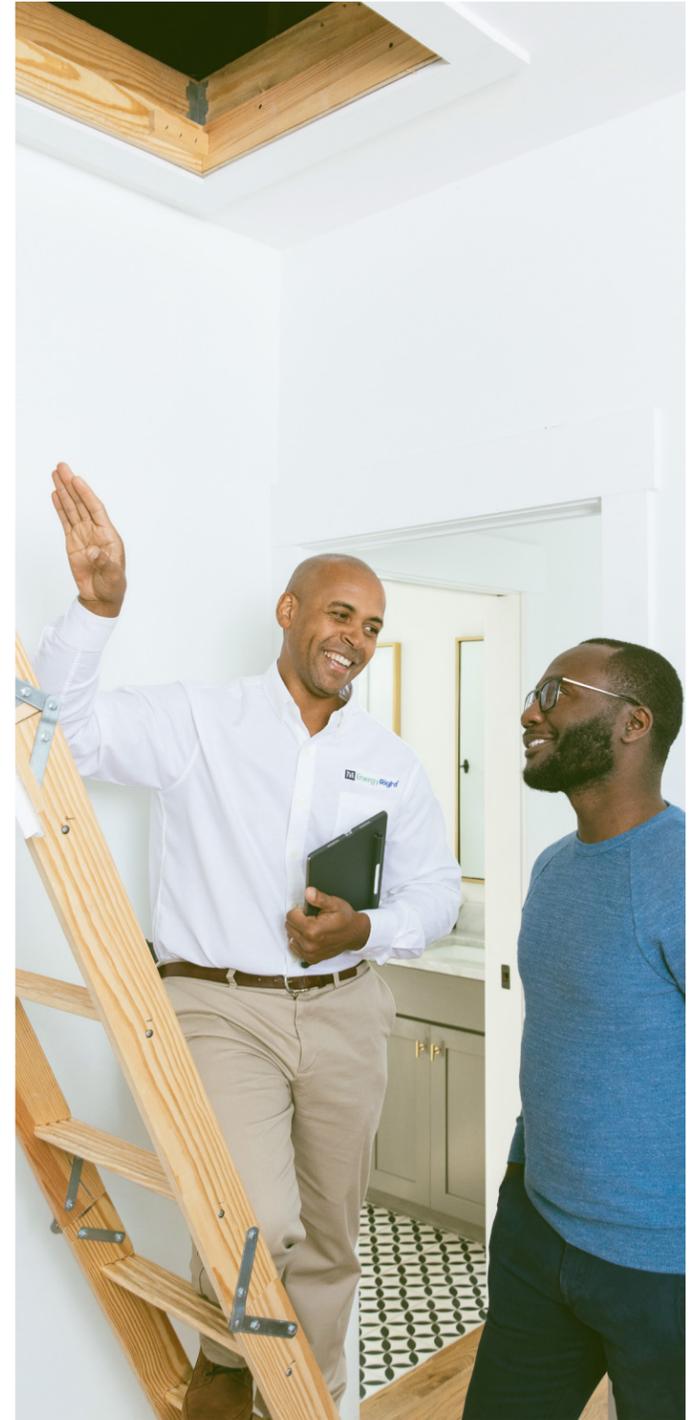
FY 2020 has seen the highest craft employee engagement rate in TVA recorded history.

Internal Programs

We pride ourselves on the enrichment of our employees through programs and trainings offered throughout the year.

TVA invests in employees through training plans and performance improvement. Our approach to development consists of 70% on the job experience, 20% informal learning and 10% formal training.

TVA established the TVA Employee Relief Fund as a response to the pandemic and increased natural disasters in our region. To date, we have invested \$36,000, which has assisted 12 employees whose lives were adversely affected by COVID-19 and tornadoes.



A Message from the Chair of the Board of Directors

The pandemic has created unprecedented hardships that challenge us all. TVA has risen to that challenge with the strength of its people at the forefront to provide quality service and compassion to communities across the Valley. TVA's experienced and talented workforce is committed to improving the quality of life for the approximately 10 million people across the Tennessee Valley and beyond.

The TVA Board is privileged and honored to serve alongside such a dedicated and passionate group of employees. Despite the challenge of pandemic conditions, the TVA team has embodied our values and long-standing mission of service, they have safely delivered some of the best performance in TVA's 87-year history.

TVA's historic mission of service is embodied in the three "Es": energy, environment and economic development.

TVA is the nation's largest public power company and one of the top producers of electricity. Its customers are 153 local power companies, and through them TVA supplies the power that approximately 10 million people rely on 24 hours a day, now more than ever.

TVA manages a complex river system that spans seven states and not only prevents damage due to flooding, as part of its commitment to preserve the environment, but provides a place of outdoor entertainment for residents and visitors.

We have an economic development program recognized as one of the best in the nation – producing approximately 341,000 jobs and over \$45.4 billion in capital investment in the past five years alone.

And TVA does this without any taxpayer support, in a competitive environment, where fiscal and operational performance make the difference.

Despite the pandemic, and thanks to the performance and commitment of TVA's employees, TVA continues to provide safe, reliable, low-cost energy to our customers; preserve and protect the environment and promote the economic development of the TVA service area. And the TVA team did this while meeting or exceeding all of our financial goals.

Based on that performance, the Board approved a \$200 million "Pandemic Relief Credit" in August for TVA customers. This 2.5% credit will deliver financial relief during the ongoing challenges that our customers and communities are facing.

In addition, TVA provided \$1 billion of credit support to local power companies, more than \$4 million through the COVID-19 Community Care Fund and approximately \$10 million in Back-to-Business incentives.

Our ability to provide this level of support is based on one important outcome – the performance of TVA's employees. Their performance over the past year – both operationally and financially – has put us in a position to offer continued assistance.

Serving the public good and living our values are how TVA delivered on its goals in the face of an unprecedented challenge. The Board thanks TVA's nearly 10,000 employees. Together, with our public power partners, we are committed to serving the people in the Tennessee Valley.



John Ryder, Chair
TVA Board of Directors

TVA's Enterprise Leadership Team



The strength of TVA is its people, and its senior leadership team is no exception. They are an experienced, talented and diverse group of leaders committed to TVA's mission of service through low-cost, reliable energy, economic development and environmental stewardship.

As the nation's largest public power supplier and one of the top producers of electricity, TVA's leadership team sets the strategy, vision and operational direction for the enterprise.



Jeff J. Lyash
President and CEO

Jeff Lyash is president and chief executive officer of the Tennessee Valley Authority, the nation's largest public power provider. Appointed by the Board of Directors in February 2019, Lyash has nearly 40 years of industry experience and has established a strategic vision and direction focused on carrying out TVA's long-standing, unique mission of service.

Lyash introduced a long-term partnership proposal with local power companies to fully leverage the capability of the Tennessee Valley Public Power Model. Already, 93% of the 153 LPCs that TVA serves have signed onto the partnership. These partnerships allow for long-range planning and a commitment to working together to make the region's future stronger and more sustainable.

Before coming to TVA, Lyash served as president and CEO of Ontario Power Generation Inc., one of the largest electric generating companies in Canada with a diverse fleet of nuclear, hydroelectric, gas, biomass and renewable generating stations.

Lyash earned a bachelor's degree in mechanical engineering from Drexel University and was honored with the Drexel University Distinguished Alumnus Award in 2009. He has held a senior reactor operator license from the Nuclear Regulatory Commission and is a graduate of the U.S. Office of Personnel Management Executive Training Program and the Duke Fuqua School of Business Advanced Management Program.



Sherry A. Quirk
Executive Vice President
and General Counsel

Sherry Quirk directs TVA's legal affairs, serving as corporate secretary for the Board of Directors as well as TVA's designated agency ethics official, responsible for the administration of the enterprise ethics program. As TVA's chief legal officer, Quirk heads the Office of General Counsel (OGC) and completed a top-to-bottom reorganization of the legal department to better assist business partners and to help the OGC function more like a modern corporate legal office. She is also spearheading a pro bono program called Generating Justice, which is here to serve Valley residents who can't afford legal counsel on a variety of matters, including assisting in resolving civil issues such as domestic violence, eviction and debt relief in order to help them get (and keep) good jobs and housing.

Quirk is leading TVA through a period of increased focus on Ethics & Compliance and has instituted more rigorous training for employees and contractors. Quirk is also unwavering in her commitment to Diversity & Inclusion, having helped establish a Diversity and Inclusion Committee to help the enterprise improve in both areas.



Timothy Rausch
Executive Vice President
and Chief Nuclear Officer

Tim Rausch has more than 30 years in commercial nuclear operations and leads TVA's robust nuclear organization. His background includes leadership roles in operations, maintenance, engineering, training, quality, process re-engineering and project management.

Drawing from all of his experience, he is intensely focused on improving overall operational performance of the TVA fleet so that it ranks in the top quartile in the nation in 2023, and that it is the best in the nation in 2025. Rausch has also introduced a practical "learn-prepare-execute" model of continuous improvement for TVA Nuclear and is highly focused on strengthening its culture of safety. And, under his leadership, in 2019, TVA completed a 465 megawatts uprate at Browns Ferry Nuclear Plant. That's enough electricity to power an additional 280,000 homes.



Sue Collins
Executive Vice President
and Chief People and
Communications Officer

Sue Collins is responsible for developing and leading business-aligned strategies to ensure successful outcomes for both the nearly 10,000 employees who power TVA's mission and the approximately 10 million people they serve. Collins' leadership has been instrumental in charting the company's People Advantage, a strategy designed to amplify the power, passion and creativity within all employees.

Prior to joining TVA in 2014, Collins served as senior vice president of human resources for the Constellation Energy Nuclear Group (CENG), where she was responsible for building the comprehensive HR function for a complex, \$1.5 billion joint venture involving 49.99 percent French ownership and 50.01 percent U.S. ownership. Collins serves on the board of Girls Inc. of Chattanooga as the Governance Committee Chair, as well as on the board of Helmets to Hardhats, a national nonprofit program that connects transitioning active-duty military and veterans with skilled training and quality career opportunities in the construction industry.



Jeannette Mills
Executive Vice President and
Chief External Relations Officer

Jeannette Mills has more than 30 years of commercial and regulatory experience in the energy and utilities sectors, with a strong track record of delivering high-quality customer service and driving economic development. Mills' vision is for TVA to have a proactive, collaborative presence in the Tennessee Valley communities, working with local governments and stakeholder groups to serve the region side-by-side and pursue a better quality of life for all of its residents.

Mills previously served as commissioner for the Maryland Public Service Commission. She was appointed by Governor Lawrence J. Hogan and served on a five-person panel that regulated gas, electric, telephone, water, sewage disposal and transportation companies. Mills' accomplishments have been recognized with various awards, including Maryland Top 100 Women — Circle of Excellence Award; Black Engineer of the Year Pioneer Award; "Top 100 Most Influential Blacks in Corporate America"; and Baltimore Business Journal: "40 Under 40".



Mike Skaggs
Executive Vice President and
Chief Operating Officer

Mike Skaggs has more than 35 years of experience in the utility industry—26 of those years at TVA—and currently serves as TVA's chief operations officer. As director of TVA's many different types of generation assets, he is responsible for ensuring that TVA can keep the lights on now and in the future. With his unique focus on operational excellence, Skaggs has brought to TVA new levels of excellence in decision-making, asset planning and performance improvement.

Skaggs' focus on the individual contributor has led him to promote a safety-first mindset at TVA, and he introduced and champions the company's four vital safety behaviors. Indeed, with his leadership, TVA has achieved the lowest rates of recordable injury on TVA record. And with reliability at the forefront, Skaggs is currently overseeing an effort to modernize and enhance TVA's transmission grid to make it more flexible, responsive and ready to meet the challenges and opportunities of tomorrow. He also oversees the River Forecast Center, which has helped to prevent more than \$9.5 billion in flood damage over TVA's recorded history.



John M. Thomas III
Executive Vice President and
Chief Financial Officer

John M. Thomas III, TVA's executive vice president and chief financial officer, leads financial services functions for TVA and oversees new technology exploration in the fields of solar energy, battery energy storage, connected communities and electric vehicle infrastructure, among others. He is instrumental in keeping TVA's rates low and stable through sound business and financial planning, as well as debt management. Under his leadership, the organization has created one of the strongest balance sheets in the industry—keeping rates lower than 70 percent of the rest of the nation.

TVA's financial performance under Thomas' leadership has been so successful that the company has announced that it will keep rates stable until 2030 — a key provision in the long-range financial plan.

[To view full bios reference tva.com/leaders](https://www.tva.com/leaders)

For More Information

On this and other TVA Reports

Sustainability Report

tva.com/sustainabilityreport

Natural Resource Plan

tva.com/nrp

Integrated Resource Plan

tva.com/irp

TVA Annual Report 2020

TENNESSEE VALLEY AUTHORITY
400 W. Summit Hill Drive
Knoxville, Tennessee 37902
www.tva.com



TVA

**TENNESSEE
VALLEY
AUTHORITY**