

TVA at a Glance



WE ARE TVA

We are 10,000 men and women proud to be carrying on TVA's long tradition of service. We are privileged to be able to make life better for the people of the Valley by providing safe, clean, reliable and affordable power; by being good stewards of the lands and waters entrusted to us; and by bringing jobs and investments to the region and doing all it takes to keep them here.

OUR MISSION

TVA was created by Congress in 1933 and charged with a unique mission—to improve the quality of life in the Valley through the integrated management of the region's resources. For more than eight decades, we have worked tirelessly to carry out that mission, and we are working just as hard to make life better for the nine million people who live, work and play in the Valley today.

We serve the people of the Tennessee Valley by focusing on three key areas: energy, environment and economic development.

ENERGY

- As the nation's largest government-owned power provider, TVA delivers safe, reliable, clean, competitively priced electricity to 154 local power companies and to large, energy-intensive industrial customers and federal facilities. TVA continues to diversify its portfolio to deliver reliable, low-cost power. Assets include coal, gas, nuclear and hydroelectric plants as well as renewable resources. In fiscal year 2017:
- TVA sold more than 152.3 billion kilowatt-hours of electricity for revenue of about \$10.7 billion.
- TVA's average retail rate ranked 29th lowest among the nation's 100 largest utilities.
- TVA's transmission system achieved 99.999 percent reliability for the 18th year in a row.
- Today, TVA's generation portfolio is 37% nuclear, 24% coal, 20% natural gas, 9% hydro, 3% wind + solar and 7% energy efficiency with a total capacity of 169,000 gigawatt-hours.

TVA's generating assets:

- » 7 fossil plants (29 active units)
- » 3 nuclear plants (7 units)
- » 29 hydro plants (109 units)
- » 1 pumped storage hydroelectric plant (4 units)
- » 9 natural gas combustion turbine gas plants (85 units)
- » 7 natural gas combined cycle gas plants (15 units)
- » 1 diesel generator site (5 units)
- » 15 solar energy sites
- » 1 wind energy site

ENVIRONMENT

Environmental stewardship is an important part of TVA's mission of service. We are committed to protecting the Valley's natural resources, as well as its historical and cultural heritage.

We manage the Tennessee River to provide multiple benefits to the people we serve and to ensure that our region will always be a safe, healthy and beautiful place to live and play. That means monitoring the health of the region's reservoirs, rivers and streams; promoting clean marinas and clean boating; and taking good care of 293,000 acres of reservoir land; 11,000 miles of shoreline; and more than 80 public recreation areas. According to a 2017 University of Tennessee study, recreation on Tennessee River and its reservoirs is worth about \$12 billion to the regional economy and creates about 130,000 jobs each year.

To protect water quality and aquatic life, we've installed equipment to add oxygen to the water around TVA dams and committed to releasing a minimum flow to keep the downstream riverbed from drying out when power generation is shut off.

We also are committed to limiting the environmental impact of our operations. To protect air quality:

- We've invested more than \$6 billion to reduce nitrogen and sulfur dioxide emissions from our coal-fired plants (now 90 percent below 1995 peak levels).
- We're decommissioning some of our oldest, least-efficient coal-fired units and adding cleaner forms of power generation. These include the 21st century's first new nuclear unit and more clean-burning natural gas units.
- We're generating and purchasing more renewable energy. In 2017, renewables (including conventional hydro production) constituted 13 percent of our energy portfolio and contributed to a 33.6-percent reduction in our carbon dioxide emissions compared with 2005 levels.

ECONOMIC DEVELOPMENT

Economic development is a cornerstone of TVA's mission to make life better for Valley residents.

In fiscal year 2017, we worked in partnership with communities and the business sector to spur \$8.3 billion in business investments in the Tennessee Valley region and helped attract and retain more than 72,000 jobs.

In addition:

- More than 250 companies were recruited to the Valley or expanded their existing operations.
- TVA assisted communities directly with more than 1,200 outreach activities related to economic growth preparedness and retail business development.
- Thirty-one communities are participating in the Valley Sustainable Communities Program, which helps them differentiate themselves by highlighting and increasing local sustainability efforts.
- TVA provided ongoing economic development assistance to communities and companies through financial support, technical services, leadership training, market research and other business offerings.

In recognition of these efforts, in 2017, Site Selection, a national industrial development magazine, recognized TVA for the 12th consecutive year as one of the Top 10 utilities in North America for economic development leadership and results.

OUR SERVICE AREA

TVA's power service territory covers 80,000 square miles, including most of Tennessee and parts of Alabama, Georgia, Kentucky, Mississippi, North Carolina and Virginia. We provide electricity to more than 9 million people at prices below the national average. TVA sells electricity to 154 local power companies and 54 directly served industries and federal facilities.

HOW WE'RE FUNDED

Initially, federal appropriations funded all TVA operations. Federal funding for the TVA power program ended in 1959, and appropriations for TVA's environmental stewardship and economic development activities were phased out by 1999. In 2014, TVA made its final scheduled repayment on Congress' original \$1 billion investment in the TVA power system, but TVA continues to make annual payments on the government's remaining equity investment in TVA.

TVA is now fully self-financing, funding virtually all operations through electricity sales and power system bond financing. TVA sets rates as low as feasible and reinvests net income from power sales into power system improvements and economic development initiatives. TVA makes no profit and receives no tax money.