

No. 15-04

Approved by the Board of Directors
at its February 22, 2016, meeting:

Original Signed by Sherry A. Quirk
Executive Vice President, General
Counsel and Secretary

MINUTES OF MEETING
OF
THE BOARD OF DIRECTORS
TENNESSEE VALLEY AUTHORITY

November 20, 2015

A meeting of the Board of Directors of the Tennessee Valley Authority was held in the Knicely Conference Center, 2355 Nashville Road, Bowling Green, Kentucky, on November 20, 2015. The meeting was called to order at 10:35 a.m. (CST) after an approximately nineteen minute break following the listening session, which began at 9:00 a.m. (CST). The meeting was announced to the public on November 13, 2015. The meeting was open to public observation.

Board members in attendance were: Director and Chair Joe H. Ritch, and Directors Richard C. Howorth, V. Lynn Evans, Michael (Mike) McWherter, Marilyn A. Brown, Peter (Pete) Mahurin, Virginia Tyler (Gina) Lodge, Ronald A. Walter, and Eric M. Satz.

Also present were TVA officers, including William D. (Bill) Johnson, President and Chief Executive Officer; Sherry A. Quirk, Executive Vice President, General Counsel and Secretary; John M. Thomas, III, Executive Vice President and Chief Financial Officer;

Jacinda B. Woodward, Senior Vice President, Transmission and Power Supply; Joseph Patrick (Joe) Grimes, Executive Vice President and Chief Nuclear Officer; and Van Wardlaw, Executive Vice President and Chief External Relations Officer.

Chair Ritch presided over the meeting, which was duly called, notice to each Director having been delivered pursuant to section 1.2 of the Bylaws governing meetings of the Board of Directors of the Tennessee Valley Authority. A quorum was present.

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15-04-1. Welcome

Chair Ritch welcomed all and thanked Bowling Green for its hospitality. He then thanked TVA's customers for their attendance, gave a special welcome to Bowling Green Municipal Utilities, and noted that all fifteen members of the Kentucky Public Power Association were represented at the meeting. Chair Ritch then recognized the presence of Richard Moore, TVA's Inspector General, and requested and received remarks from Jack Simmons, President and Chief Executive Officer of the Tennessee Valley Public Power Association (TVPPA), and Pete Matthias, Chairman of the Tennessee Valley Industrial Committee (TVIC).

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Old Business

The Board approved the minutes of its August 21, 2015, meeting.

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New Business

15-04-2. President's Report

President and Chief Executive Officer William D. (Bill) Johnson stated TVA is proud of its relationship with the fifteen local power companies in Kentucky. He next commented on the work of TVA's employees in Kentucky, then discussed TVA's contributions to Kentucky's economy and its commitment to America's military veterans. Mr. Johnson recapped TVA's progress during Fiscal Year (FY) 2015, summarized TVA's successful cost reduction efforts, provided a status report on TVA's ongoing generation and transmission projects, and discussed TVA's environmental improvement and economic development efforts. Mr. Johnson then highlighted TVA's priorities for the upcoming fiscal year.

Copies of the slides used by Mr. Johnson in his report are filed with the records of the Board as Exhibit 11/20/15A.

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15-04-3. Report of the Finance, Rates, and Portfolio Committee

Director Mahurin, Chair of the Finance, Rates, and Portfolio Committee, reported the Committee met October 28 and reviewed financial performance. Director Mahurin then requested and received reports from John Thomas, Executive Vice President and Chief Financial Officer, regarding Minute Items 15-04-4 and 15-04-5. Following the completion of Mr. Thomas's reports, Director Mahurin requested and received a report from Jacinda

Woodward, Senior Vice President, Transmission and Power Supply, regarding Minute Item 15-04-6. After Ms. Woodward's report, Director Mahurin reported the Committee received briefings from management on TVA's commodity hedging program, after which he congratulated management on a job well done in FY 2015.

Copies of the slides used by Mr. Thomas in his report on Minute Items 15-04-4 and 15-04-5 are filed with the records of the Board as Exhibit 11/20/15B and Exhibit 11/20/15C, respectively. Copies of the slides used by Ms. Woodward in her report on Minute Item 15-04-6 are filed with the records of the Board as Exhibit 11/20/15D.

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15-04-4. Financial Performance Update

John Thomas, Executive Vice President and Chief Financial Officer, updated the Board on TVA's financial performance during FY 2015. In summary, he reported flat electricity sales, higher base revenue and lower fuel costs, a slightly reduced rate for power customers, and over \$600 million in cumulative operations and maintenance reductions, all of which resulted in higher net income and lower debt.

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15-04-5. Section 13 Tax Equivalent Payments

The Board adopted the following resolution as recommended in a memorandum from the Executive Vice President and Chief Financial Officer, dated October 20, 2015, and filed with the records of the Board as Exhibit 11/20/15E:

WHEREAS Section 13 of the Tennessee Valley Authority Act of 1933, *as amended* (16 U.S.C. §§ 831-831ee (2012)) (the "TVA Act"), directs the Board to pay amounts in tax equivalent payments to the states and counties in which the power operations of TVA are carried on and in which TVA has acquired properties previously subject to state and local taxation, the payments to be computed in the manner specified in Section 13 and to be charged against the power operations of TVA; and

WHEREAS Section 13 provides that the Board shall make a determination as to the amounts due to the states and counties and shall make such payments in monthly installments for each fiscal year beginning July 1, 1940, upon a basis more particularly set forth in Section 13; and

WHEREAS pursuant to a resolution approved by the Board on November 6, 2014, such payments were made during the fiscal year ended September 30, 2015, to the states and counties in accordance with the preliminary estimates approved in such resolution; and

WHEREAS there have now been prepared and reviewed with the states and counties data showing the amounts actually due the states and counties for the fiscal year ended September 30, 2015; and

WHEREAS a report setting forth the basis upon which such amounts have been calculated accompanied a memorandum from the Chief Financial Officer to the President and Chief Executive Officer dated October 20, 2015, which report and memorandum are filed with the records of the Board as Exhibit 11/20/15E; and

WHEREAS Schedules 1 and 7 of Exhibit 11/20/15E include estimates of the amounts due to the states and counties under Section 13 for fiscal year 2016; and

WHEREAS final determination of the amounts due under Section 13 for fiscal year 2016 will require additional studies which may consume several months; and

WHEREAS the Board desires to make payments for fiscal year 2016 on the basis of 98 percent of the estimated annual payments to states for fiscal year 2016 (to allow for accounting adjustments) and 100 percent of the estimated annual payments to counties for fiscal year 2016, subject to such adjustments during the fiscal year as may be necessary to make the respective sums of the payments conform to the total amounts finally determined to be payable for fiscal year 2016; and

WHEREAS Section 15d(g) of the TVA Act provides the payment under Section 13 due to a state where a power generating or related facility operated by TVA under a lease or lease-purchase agreement (“Leased Facility”) is located shall be reduced by the amount which is determined or estimated by the Board to result from holding the Leased Facility or from selling electric energy generated from the Leased Facility to the extent taxes or tax equivalents are paid by the owners (or others) on account of the Leased Facility;

BE IT RESOLVED, That the Board of Directors, in accordance with Section 13 of the TVA Act, hereby finally determines that the amounts set out in Schedules 2 and 5 of Exhibit 11/20/15E are the amounts due and payable for the fiscal year ended September 30, 2015, to the respective states and counties named in such schedules; provided, however, that if there is any property for which TVA has a contingent tax replacement responsibility determinable by an assessment not yet made or not yet brought to TVA’s attention or determinable by other factors not yet resolved, appropriate adjustments shall be made, in accordance with established procedures, in the amounts payable under Section 13 for this or any subsequent fiscal year after such tax replacement responsibility has been determined;

RESOLVED further, That the Chief Financial Officer is hereby authorized and directed to make payments to states and counties in accordance with the Schedules 2 and 5 of Exhibit 11/20/15E and to adjust the payments made so that the respective sums of the payments for fiscal year 2015 will conform to the amounts shown in such schedules;

RESOLVED further, That the Board authorizes and directs the Chief Financial Officer to make, or cause to be made, payments to states for fiscal year 2016 on the basis of 98 percent of the estimated annual payments to states for fiscal year 2016 and payments to counties on the basis of 100 percent of the estimated annual payments to counties for fiscal year 2016, such payments to be made in equal monthly installments (except for payments to counties whose annual payment is less than \$10,000, which payments shall be made in a lump sum during the first month of fiscal year 2016), all as provided in Schedules 1 and 7 of Exhibit 11/20/15E, until the Board has made a final determination of the respective amounts due for the fiscal year; provided that the Chief Financial Officer is hereby authorized to make, or cause to be made, as soon as administratively feasible, tax equivalent payments to any additional states and counties found to be entitled thereto for fiscal year 2016 on account of power property purchased and operated by TVA during fiscal year 2015, such payments to be later confirmed and adjusted when the final amounts payable for fiscal year 2016 shall have been determined and approved by the Board in accordance with established procedures;

RESOLVED further, That it is the Board’s determination that both the amount attributable to holding a Leased Facility and the amount attributable to selling electric energy generated from a Leased Facility shall be used under Section 15d(g) in determining the amount by which TVA shall reduce the Section 13 payment to the state in which the Leased Facility is located;

RESOLVED further, That the Board determines that in determining under Section 15d(g) the amount of the reduction of the Section 13 payment otherwise due a state, (1) the contribution of the Leased Facility to the Section 13 payment attributable to holding the Leased Facility shall be

determined based upon how TVA accounts for the Leased Facility, and (2) the contribution of the Leased Facility to the Section 13 payment attributable to selling electric energy generated from the Leased Facility shall be calculated using the assumption that the sales of electricity from the Leased Facility are apportioned among the various states in TVA's service area using the same proportion that the states contribute to TVA's gross power proceeds under Section 13;

RESOLVED further, That the Chief Financial Officer shall cause to be explained to the appropriate state and county officials that the payments for fiscal year 2016 are based upon preliminary estimates and are subject to later adjustment.

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15-04-6. Modifications to TVA's Imbalance Transmission Rate

The Board adopted the following resolution as recommended in a memorandum from the Executive Vice President and Chief Operating Officer, dated October 14, 2015, and filed with the records of the Board as Exhibit 11/20/15F:

WHEREAS TVA provides certain imbalance services to transmission customers and generators that are connected to the TVA transmission system; and

WHEREAS TVA has identified a need to revise certain aspects of the rates and charges associated with such services; and

WHEREAS a memorandum from the Executive Vice President and Chief Operating Officer, dated October 14, 2015 (Memorandum), a copy of which is filed with the records of the Board as Exhibit 11/20/15F, recommends that TVA make certain changes to its imbalance services as described in the Memorandum;

BE IT RESOLVED, That after review of said Memorandum, the Board of Directors finds it to be appropriate and in the interest of TVA, and hereby approves, the changes to TVA's imbalance services and the delegation of authority to the Chief Executive Officer as described in the Memorandum.

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15-04-7. Report of the People and Performance Committee

Director Howorth, Chair of the Committee, reported the Committee met three times in preparation for this Board meeting, with an emphasis on matters regarding workforce performance and compensation. He stated the Committee received updated information on compensation benchmarking and market analysis from the Board's independent compensation consultant, Frederic W. Cook & Co., Inc., and also reviewed the compensation disclosure and analysis that is included in the 10-K report that TVA will file with the Securities and Exchange Commission (SEC) later on the day of this meeting. Director Howorth stated the Committee spent a substantial amount of time reviewing TVA's performance in FY 2015, and the Committee appreciates the work of TVA's employees in reaching those results as previously reported by Mr. Johnson and Mr. Thomas. After reviewing TVA's performance against its FY 2015 goals, Director Howorth stated the Committee recommends a corporate multiplier of 0.95, recognizing TVA's overall strong performance, but tempering that recognition due primarily to TVA's failure to achieve its own very high standards on safety. Director Howorth then reported the Committee's recommendation for an incentive payout to executives under the Executive Long-Term Incentive Plan of 113 percent. At this point, Director Howorth briefly discussed and moved for approval of the resolutions contained in Minute Items 15-04-8, 15-04-9, 15-04-10, and 15-04-11. Director Howorth stated that many of the items considered by the Committee during the first quarter of FY 2016 are key components of TVA's annual report, and that all actions recommended by the Committee and approved by the Board at this meeting will be included in the 10-K report.

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15-04-8. Winning Performance Team Incentive Plan and Executive Annual Incentive Plan Corporate Multiplier Approval for Fiscal Year 2015

The Board adopted the following resolution as recommended in a memorandum from the President and Chief Executive Officer, dated November 3, 2015, and filed with the records of the Board as Exhibit 11/20/15G:

WHEREAS in a memorandum dated November 3, 2015, a copy of which is filed with the records of the Board as Exhibit 11/20/15G (Memorandum), the Chief Executive Officer (CEO) recommended approval of TVA's Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) Corporate Multiplier for FY 2015 as set out in that Memorandum and its attachments; and

WHEREAS on August 21, 2014, the TVA Board approved the WPTIP and EAIP Corporate Multiplier measures and goals for FY 2015; and

WHEREAS the People and Performance Committee has reviewed the proposed WPTIP and EAIP Corporate Multiplier FY 2015, as described above, and recommends its approval;

BE IT RESOLVED, That the Board approves the WPTIP and EAIP Corporate Multiplier as set out in the Memorandum and its attachments effective for FY 2015.

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15-04-9. Executive Long-Term Incentive Plan Payout Approval for Cycle Ending Fiscal Year 2015

The Board adopted the following resolution as recommended in a memorandum from the President and Chief Executive Officer, dated November 3, 2015, and filed with the records of the Board as Exhibit 11/20/15H:

WHEREAS in a memorandum dated November 3, 2015, a copy of which is filed with the records of the Board as Exhibit 11/20/15H (Memorandum), the Chief Executive Officer (CEO) recommended approval of the Executive Long-Term Incentive Plan (ELTIP) payout percentage for the cycle ending FY 2015; and

WHEREAS on August 21, 2014, the TVA Board approved the ELTIP measures and goals for FY 2015; and

WHEREAS the People and Performance Committee has reviewed the ELTIP payout percentage for the cycle ending FY 2015 and recommends its approval at the percentage set forth in the Memorandum and its attachments effective for FY 2015;

BE IT RESOLVED, That, with regard to the ELTIP performance cycle ending FY 2015, the Board approves the ELTIP payout percentage as set out in the Memorandum and its attachments effective for FY 2015.

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15-04-10. Fiscal Year 2016 Salaries in Excess of Executive Schedule Level IV

The Board adopted the following resolution as recommended in a memorandum from the Executive Vice President and Chief Financial Officer, dated October 20, 2015, and filed with the records of the Board as Exhibit 11/20/15I:

WHEREAS the People and Performance Committee has reviewed and made information available to other Board members regarding the employees other than the Chief Executive Officer (CEO) and the Inspector General with salaries in excess of Executive Schedule Level IV; and

WHEREAS the Board previously delegated to the CEO the authority to approve lists of TVA employees whose salaries would exceed Executive Schedule Level IV for Fiscal Years 2008 through 2015; and

WHEREAS the Board previously approved (Entry 13-02-13, April 18, 2013) compensation ranges for the managerial direct reports to the CEO of 80 percent to 110 percent of the targeted total compensation for comparable positions, with such targeted levels being those consistent with the Board-approved compensation plan for TVA and as established by benchmarking sources outside of TVA, and to authorize the CEO to set or adjust compensation for the CEO's current and future managerial direct reports within such compensation ranges, as well as to approve the parameters under which such executives may participate in certain supplemental benefit plans such as the Supplemental Executive Retirement Plan; provided that the CEO will not finally set or adjust such compensation until the Board members and the Board's compensation consultant have been notified of such action and Board members have been given the opportunity to ask the appropriate Board Committee, or the full Board, to review the proposed action before it is put into effect; and

WHEREAS the Board does not desire to alter the previously approved guidance as part of any delegation related to Executive Schedule Level IV for Fiscal Year 2016;

BE IT RESOLVED, That the Board hereby delegates to the CEO the authority to approve a list of TVA employees other than the CEO and the Inspector General whose salaries will exceed Executive Schedule Level IV for Fiscal Year 2016.

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15-04-11. CEO Compensation for Fiscal Year 2016

The Board adopted the following resolution as recommended in a memorandum from the Chair, People and Performance Committee, dated November 10, 2015, and filed with the records of the Board as Exhibit 11/20/15J:

WHEREAS in accordance with the TVA Act, as amended, and the TVA Compensation Plan, as approved by the Board, the People and Performance Committee (“Committee”) has considered and recommends proposed compensation adjustments for TVA’s Chief Executive Officer (“CEO”) beginning in Fiscal Year 2016 consisting of an increase in Executive Annual Incentive Plan (“EAIP”) target opportunity, a performance grant (“LTP”) under TVA’s Long-Term Incentive Plan (“LTIP”), and a retention grant (“LTR”) under TVA’s LTIP, as set forth in the November 10, 2015, memorandum from Richard C. Howorth to the Board, a copy of which is filed with the records of the Board as Exhibit 11/20/15J; and

WHEREAS Frederic W. Cook & Co., Inc., the Committee’s independent executive compensation consultant, has reviewed and concurred in this recommendation;

BE IT RESOLVED, That the Board hereby approves adjustments to the CEO’s compensation beginning in Fiscal Year 2016 consisting of an increase in EAIP target opportunity, an LTP under TVA’s LTIP, and an LTR under TVA’s LTIP, as set out in Exhibit 11/20/15J. Additionally, Mr. Johnson, upon appointment as CEO was approved by the TVA Board for an arrangement under which he would be eligible to receive an additional performance award of up to \$325,000 annually based on the evaluation of his performance. With the increased opportunity under the EAIP, the performance arrangement will not exist for FY 2016 and future years. Previously approved components of total compensation, including the eligibility to receive performance awards under the Executive Long-Term Incentive Plan (“ELTIP”), for the performance cycles FY 2014-2016 and FY 2015-2017 based in part on the achievement of established long-term goals, will remain unchanged.

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15-04-12. Report of the Audit, Risk, and Regulation Committee

Director Evans, Chair of the Committee, reported the Committee met multiple times in preparation for this Board meeting and the filing of TVA's annual 10-K report to the SEC. She stated that during its regular meeting, the Committee sat in executive session with three different groups responsible for evaluating TVA's activities. The Committee received a report from TVA Inspector General Richard Moore and his staff, then later met with TVA's external auditors, who offered an independent assessment of TVA's financial reporting, and, finally, the Committee met with TVA's internal regulatory assurance group, which is charged with carefully scrutinizing a wide range of TVA programs. Director Evans reported that staff provided the Committee with regular updates on a number of topics, including regulatory assurance and enterprise risk. The Committee also discussed a number of governance items, which it examines at least once annually, including the Committee's charter, its annual agenda, the Board approved conflict-of-interest policy, and the things of value protocol.

In addition, Director Evans reported that management briefed the Committee on pole attachments, which is a matter of considerable importance to the local power companies regulated by the Board. Director Evans stated that although there may be appropriate occasions for multiple entities to share space on the same electric utility pole, TVA needs to make sure electric ratepayers are treated fairly and that safety standards are maintained. Accordingly, the Committee will continue to review information on emerging issues impacting how other entities such as telephone companies and cable carriers work with the local power companies to use their poles for other purposes.

Director Evans reported that, at its final meeting of the quarter, the Committee focused entirely on the 10-K report and recommended the inclusion of the financial statements that TVA will file with its 10-K report, later on the date of this meeting. Director Evans then expressed, on behalf of the Committee, appreciation to Richard Moore and the Office of the Inspector General's staff, Randy Gregson from Ernst & Young, and TVA employees Sherry Quirk, Diane Wear, Dwayne Lanier, and John Hoskins, all of whom made presentations to the Committee.

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15-04-13. Report of the Nuclear Oversight Committee

Director Brown, Chair of the Committee, reported the Committee met October 15 in TVA's Chattanooga corporate offices, at which time Executive Vice President and Chief Nuclear Officer Joe Grimes gave a presentation on the performance of the nuclear fleet. Director Brown stated that the nuclear fleet experienced some challenges during the quarter, particularly related to unexpected outages at Sequoyah Nuclear Plant, and that management is working on plans to address safety and outage issues. At this point Director Brown yielded the floor to Director Lodge who requested and received a report from Mr. Grimes regarding Minute Item 15-04-14. Following the report by Mr. Grimes, Director Brown reported the Committee heard from TVA's nuclear quality assurance organization, which plays a key role in nuclear oversight at TVA, including management of the employee concerns program.

Director Brown reported that Watts Bar Unit 2 has generated some very positive news this quarter, including issuance by the Nuclear Regulatory Commission (NRC) of the operating license for the unit. Director Brown explained this major milestone signals that construction activities are drawing to a close and that commercial operation will commence shortly. Director Brown noted that as the construction project draws to a conclusion, TVA will no longer need to hear periodic reports from the Construction Safety Review Board, and that most news regarding the operation of Watts Bar Unit 2 will come from the Nuclear Safety Review Board. Director Brown stated the transition will need to be reflected in the Committee's charter, which requires approval by the full Board, and that the Committee is also seeking revisions to its charter to reflect the gender neutrality contemplated by bylaw changes made last year. At this point, Director Brown moved for approval of the Committee's revised charter pursuant to the resolution contained in Minute Item 15-04-15.

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15-04-14. Sequoyah Nuclear Plant Issues

Joe Grimes, Executive Vice President and Chief Nuclear Officer, reported that management and the Committee have discussed the recent and unusual equipment reliability issues related to Sequoyah Unit 1, and added that management is taking a broader look, beginning with the planned refueling outage currently underway at Sequoyah Unit 2. Mr. Grimes stated management will ensure that the work performed during the current outage will provide the reliability TVA expects when the unit starts up in several weeks. Also, Sequoyah management is performing a broader review of its equipment and systems, which will

continue after the outage is completed, in order to provide a full understanding of all equipment issues. From a corporate oversight perspective, management is looking at integrated decision making at Sequoyah, and trying to assist with that decision making. Mr. Grimes stated management expects to quickly move through these issues, understand them, and implement actions that will result in the performance that management expects.

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15-04-15. Nuclear Oversight Committee Charter

The Board adopted the following resolution:

WHEREAS, at its November 4, 2010, meeting the Board established a new committee of the Board of Directors, the “Nuclear Oversight Committee,” that is dedicated to overseeing TVA’s nuclear projects, operations, and activities; and

WHEREAS the Board also adopted a charter to govern the activities of the committee; and

WHEREAS the Nuclear Oversight Committee has reviewed the charter and recommends some changes to the charter to reflect gender neutral language and the dissolution of the Construction Safety Review Board, and a copy of the proposed amended charter is attached and designated as Exhibit 11/20/15K;

BE IT RESOLVED, That the Board hereby adopts the proposed amended Nuclear Oversight Committee charter.

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15-04-16. Report of the External Relations Committee

Director McWherter, Chair of the Committee, reported the Committee met October 29 and reviewed its annual agenda and charter. The update provided by management to the Committee covered customer topics, the economic development program, and the EnergyRight®

renewable solutions program. Director McWherter stated there have been noteworthy achievements in each of these areas, especially with regard to economic development. Director McWherter stated that one concern of particular focus for the Committee is how to continue the high degree of stakeholder input generated by promulgation of the Integrated Resource Plan, and he reported that management has discussed a number of initiatives focused on promoting continued stakeholder engagement. One such initiative is the Regional Resource Stewardship Council (RRSC), one of TVA's chartered advisory committees under the Federal Advisory Committee Act. Director McWherter then requested and received a report from Van Wardlaw, Executive Vice President and Chief External Relations Officer, regarding Minute Item 15-04-17.

Following Mr. Wardlaw's report, Director McWherter gave brief remarks on the recent death of Clifford Stockton, Sr., a member of another TVA advisory committee, the Regional Energy Resource Council (RERC), who offered valuable insight to TVA over the years. Director McWherter then invited and received additional remarks regarding Mr. Stockton from Director Evans and Director Walter.

Director McWherter stated the Committee also discussed two other topics, TVA's communications strategy, and an issue related to floating houses. With regard to floating houses, Director McWherter stated that he anticipates the Committee will revisit this issue in the months ahead and will have a recommendation for consideration by the full Board on how to react. Director McWherter then thanked all members of the public who have participated in the review performed regarding this issue.

Director McWherter then recognized and thanked Ric Perez and his staff, who came to Bowling Green and walked him through the process of how a supplier might do business with TVA. Director McWherter stated it was an interesting experience, and indicated some suggestions were made that might make the process more user friendly for people who operate in the Valley and want to do business with TVA.

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Following the conclusion of the Report of the External Relations Committee, Chair Ritch announced that Director Howorth's term on the Board is drawing to a close at the end of the current congressional session, but added that Director Howorth has been re-nominated by the President and could be confirmed by the Senate at any time before the end of the current calendar year. Chair Ritch then discussed Director Howorth's contributions to the work of the Board and expressed his hope that the Senate acts quickly. Director Howorth then delivered remarks of his own regarding his experience on the Board and his esteem for TVA, its employees, and the local power companies.

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15-04-17. Regional Resource Stewardship Council Charter Renewal

The Board adopted the following resolution as recommended in a memorandum from the Executive Vice President and Chief External Relations Officer, dated October 8, 2015, and filed with the records of the Board as Exhibit 11/20/15L:

WHEREAS the Tennessee Valley Authority (TVA) established the Regional Resource Stewardship Council (Council) to advise TVA about its resource stewardship activities, and

Council members have worked diligently to reach a common understanding of resource issues and a common approach to the resolution of such issues; and

WHEREAS the Council's eighth term will expire on April 30, 2016; and

WHEREAS the Council has proven to be an effective tool in obtaining input from and achieving collaboration among the numerous public and private entities and individuals involved in the stewardship of the natural resources of the Tennessee Valley region; and

WHEREAS as detailed in an October 8, 2015, memorandum, a copy of which is filed with the records of the Board as Exhibit 11/20/15L, the Executive Vice President and Chief External Relations Officer, has recommended the renewal of the Council for a ninth term; and

WHEREAS the Federal Advisory Committee Act requires the appointment of a Designated Federal Officer to call meetings of the Council and conduct other administrative functions;

BE IT RESOLVED, That the Board of Directors hereby approves the Regional Resource Stewardship Council charter, a copy of which is filed with the records of the Board as Exhibit 11/20/15L; authorizes the renewal of the charter for an additional two years; and authorizes and directs the Vice President, Stakeholder Relations, to complete the charter renewal process in accordance with the Federal Advisory Committee Act;

RESOLVED further, That the Board of Directors hereby appoints the Vice President, Stakeholder Relations, to serve as the Designated Federal Officer (DFO) for the Council, and if the DFO is unavailable, authorizes the DFO's designee to serve as the Alternate Designated Federal Officer for the Council;

RESOLVED further, That the Board of Directors hereby delegates to the Chief Executive Officer the authority, following consultation with the External Relations Committee of the Board, to appoint members to the Council and to fill any vacancies in Council membership that may arise during the course of the ninth term;

RESOLVED further, That the Board of Directors expresses its gratitude to the members of the eighth term of the Council for their service to TVA and the Tennessee Valley region.

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Information Item**15-04-18. Settlement Agreement Regarding Transmission Matters**

As recommended in a confidential application for Notational Board Approval, a copy of which is filed with the records of the Board as Exhibit 11/20/15M, and in accordance with the TVA Board Practice, Notational Approvals, on October 6, 2015, the individual Board members approved delegation of authority to the Chief Executive Officer to finalize and execute a settlement agreement to resolve proceedings before the Federal Energy Regulatory Commission arising from unauthorized power flows on the TVA transmission system that would result from the integration of Entergy Corporation into the Midcontinent Independent System Operator, Inc.'s market.

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The meeting was adjourned at 12:03 p.m. CST.