



## **POSITION DESCRIPTION**

### **TENNESSEE VALLEY AUTHORITY**

#### **PRESIDENT AND CHIEF EXECUTIVE OFFICER**

TVA is a corporation wholly owned by the U.S. government that provides electricity for approximately nine million people in parts of seven southeastern states at prices below the national average. It receives no taxpayer money and seeks to keep electricity costs to consumers as low as feasible while providing flood control, navigation and land management for the Tennessee River system and assisting utilities and state and local governments with economic development. A list of TVA assets and statistics is attached.

TVA was established by Congress in 1933 primarily to reduce flood damage, improve navigation on the Tennessee River and promote agricultural and industrial development in the region. In 1999 government appropriations for the Authority stopped, and TVA has since funded its activities primarily from the sale of electricity and the sale of bonds in the financial markets. It presently produces approximately \$11 billion in annual revenue.

TVA's power service territory includes most of Tennessee and parts of Alabama, Georgia, Kentucky, Mississippi, North Carolina and Virginia which cover about 80,000 square miles. It sells electricity to 155 power distributor customers and 57 directly served industries and federal facilities through its network of about 16,000 miles of transmission line.

Most of its power comes from traditional generation sources, and facilities include fossil fuel powered, hydroelectric, and nuclear plants. TVA also has an agreement to produce tritium, a radioactive gas that boosts the power of nuclear weapons, for the U.S. Department of Energy at its Watts Bar Nuclear Plant. It plans to add a second nuclear unit at Watts Bar by the end of 2015. In 2011 more than half of its generating capacity came from coal fired generators with roughly a third coming from nuclear plants.

More recently, TVA has been expanding its energy efficiency and demand response portfolio and its renewable energy portfolio with more than a dozen solar energy sites and one wind energy site. It has also announced plans to replace its older and less efficient coal units with cleaner sources of power.

Tom Kilgore, TVA's current CEO, has served the organization and its constituents well but is planning to retire near the end of 2012. Consequently, the Board is beginning a search for Mr. Kilgore's successor.

The new President and CEO must work with the Board of Directors and TVA's executive team to lead the development of TVA's strategies, plans, goals and objectives, and lead the entire organization in the execution of those plans. The new CEO will implement operational plans and oversee day-to-day activities; set the course for sound operational performance and enhanced financial flexibility during a period of significant industry change; and have performance measured on the basis of TVA's operational performance and how well it meets its annual and long-term objectives and enhances the overall strength of the organization.

The position will report to the TVA Board of Directors and is ultimately responsible to TVA's stakeholders. Such will require an intense focus on managing external relationships, primarily as they relate to distributors and other customers, government agencies and representatives, suppliers and other stakeholders.

Major responsibilities for the CEO position include: enhancing stakeholder value through increased competitiveness; deepening the talent and capabilities within the organization; developing sound and viable objectives, strategies and tactics that maximize operational and financial performance; leading the development and implementation of the business and operations strategy for continued reliability; and effectively managing the customer relations and operating portfolio of generation and transmission assets while maintaining and improving TVA's market position and customer service and satisfaction.

Ideal experience for candidates to be considered will include a well established and highly regarded record of professional achievement, most likely with (but not limited to) a well respected energy utility organization, while an acknowledged industry leader who has successfully led large and complex organizations with significant P&L responsibilities and consistently achieved superior performance. The person could have held Chief Executive Officer, Chief Operating Officer or Chief Nuclear Officer duties or perhaps other executive level positions. Significant experience with managing a portfolio of nuclear power assets will be very desirable.

The successful candidate must have an understanding of the changes impacting the U.S. electric utility industry and their ramifications on the operation of nuclear and fossil generating stations, gas generation, and alternative generating sources. Consistent with that, the person must appreciate the future role of energy efficiency and demand response in balancing demand and supply and understand the value of nurturing renewable energy while maintaining low electric costs to consumers.

The successful candidate must have numerous critical competencies. More specifically, the Board requires a professional executive with proven organizational skills who is a no-nonsense leader with operations expertise and change management abilities. Further, the person must have a demonstrated ability to quickly attain a thorough grasp and in-depth knowledge of TVA's charter, customers, human resource assets, direction and culture along with the maturity and wisdom to appropriately identify and manage industry and customer-specific needs. In so doing, the person will demonstrate an experience with and understanding of the importance of TVA's status as a public agency and its obligation to promote stewardship of the land, water and resources of the Tennessee Valley while promoting innovation and meeting the power needs of the Valley.

To summarize, the successful candidate must have a record of substantial success in managing a large number of employees and sizeable budgets. The more extensive the electric utility and nuclear power experience in the commercial/private sector the better. However, regardless of experience, the person's management experience must demonstrate success in running an organization of size and substance while utilizing a framework of discipline, ethics and high standards.

Perhaps most importantly, the new CEO must possess substantial leadership ability and will lead, motivate and influence a large workforce to adapt to change and achieve success more urgently and effectively than ever before. In the process, the new CEO must maximize performance through teamwork while being an excellent communicator both within the TVA workforce and with the public. Further, the individual must have substantial business acumen while being a strategic and tactical thinker who is decisive and able to instill a sense of urgency throughout the organization.

## **KEY TVA STATISTICS**

### **Customers**

The metrics and detail below provide a summary of TVA's business and operations:

- 155 local power distributors
- 51 large industrial customers
- 6 federal installations
- Service ultimately to about 9 million people in 170 counties in Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee and Virginia

### **TVA-Operated Generation Assets**

- 11 coal plants (53 active units and 6 inactive units at September 30, 2011)
- 3 nuclear plants (6 units)
- 29 hydro plants (109 units)
- 1 pumped-storage plant (4 units)
- 9 combustion-turbine sites (87 units)
- 4 combined-cycle sites (11 units)
- 2 diesel-generator sites (9 units)
- 14 solar energy sites
- 1 wind-energy site
- 1 digester-gas site
- 1 biomass-cofiring site

### **Power Provided**

- 37,300 million kilowatts (net summer capability) capacity at September 30, 2011
- 171 billion kilowatt-hours of electric power provided to communities and businesses across the TVA region in 2011.

### **Fuel Used**

- 37 million tons of coal
- 84 billion cubic feet of natural gas
- 1 trillion cubic feet of water through Chickamauga hydroelectric plant (just north of Chattanooga, TN)

### **Transmission**

- Nearly 16,000 miles of transmission lines (enough to span the continent 6 times)
- 100,000 steel, wood and concrete towers
- 99.999 percent reliability for 11 consecutive years

### **Environment**

By continually working to improve its environmental performance and taking a leadership role in clean-energy development, TVA helps safeguard our nation's natural resources for future generations.

- 1,577 gigawatt hours of energy savings achieved since 2007
- 807 megawatts of peak demand reduction achieved since 2007
- 49 dams (29 generate electricity)
- 11,000 miles of shoreline
- 600,000 acres of water
- 293,000 acres of land
- More than 9,000 archaeological sites
- \$5.4 billion invested in equipment to reduce emissions

### **Economic Development**

TVA helps strengthen the Tennessee Valley region's economy by building business and community partnerships that bring jobs to the region and keep them established locally. TVA's reliable, competitively priced power makes the region an attractive place to start or expand a business.

- Helped attract or retain almost 43,000 jobs in 2011
- Leveraged more than \$4.9 billion in capital investment in 2011

TVA is an Equal Opportunity employer and complies with all applicable laws and regulations regarding equal employment opportunities.