

Natural Resource Plan

Regional Resource Stewardship Council (RRSC)

June 29, 2011



RRSC charter overview:

- ◆ The purpose of the Council “is to provide advice only, and TVA retains sole responsibility for the management and operation of its stewardship activities and for all decisions regarding matters under consideration by the Council”

Goals of today:

- ◆ Inform the Council of updates to the NRP
- ◆ Gain support and approve a resolution on the final NRP

Discussion Topics

- ◆ Summary of Feedback Incorporated in the NRP
- ◆ Updates to the NRP Between Draft and Final
- ◆ Review of Final NRP by Resource Area
- ◆ Economics / Valuation
- ◆ RRSC Resolution and Next Steps

Summary of Feedback Incorporated in the NRP

TVA RRSC Guiding Principles

Guiding Principle	How Was It Incorporated?
 <p>Manage the river with responsibility, along with the TVA mandated mission on Stewardship, and do a first class job of managing the water, shoreline, and natural resources</p>	<ul style="list-style-type: none"> — The NRP, at a minimum, provides TVA with a plan to go beyond basic legal requirements and satisfy the goals of the proactive stewardship set forth in the Environmental Policy
 <p>Continue to invest. Biggest success is public-use benefit (visible) to garner public support and maximize benefits/return on investments</p>	<ul style="list-style-type: none"> — A third-party natural resource economist was retained to evaluate the public benefit of each proposed program, and results were taken into consideration during NRP development
 <p>Balance the cost of all programs borne by rate payers with TVA's low-cost energy mission and economic development</p>	<ul style="list-style-type: none"> — The NRP presents multiple implementation tools and strategies to meet the growing resource challenges associated with natural resources management (e.g., partnerships, volunteer program, etc.)
 <p>Integrate and leverage cross-program benefits with each other into a “portfolio” (e.g., water quality reservoir improvement with Clean Marinas, aquatic biology, etc.)</p>	<ul style="list-style-type: none"> — TVA has proposed an NRP program mix that takes into account the interconnectivity of each resource area and its supporting programs, helping to establish a foundation on which TVA may build more comprehensive stewardship practices in the future
 <p>Recognize that some activities (e.g., public outreach, data management, evaluation, boundary marking, etc.), are part of program implementation – not stand-alone programs</p>	<ul style="list-style-type: none"> — Some programs presented in the draft NRP were mainly focused on implementation or data collection methods (e.g., LCA's, recreation surveys, foundation and trust fund) — The final NRP separates out “tools” versus “programs”, providing a clearer distinction for public understanding

TVA RRSC Guiding Principles (Cont'd)

Guiding Principle	How Was It Incorporated?
 Create public awareness of TVA's non-power accomplishments and current activities	<ul style="list-style-type: none"> — The NRP provides a history of TVA's past accomplishments across the four resource areas and promotes a number of public outreach programs
 Explore the risks of doing/not doing stewardship activities (priority on protecting non-renewable resources, e.g., threatened and endangered species, archeological, and historical resources)	<ul style="list-style-type: none"> — At a minimum, the draft NRP assessed compliance with all laws, regulations, and policies. Moving forward, TVA is committed to addressing the risks of not meeting this level of support in the final NRP
 Provide clear and concise details when communicating the NRP with the public (clarify "custodial," "flagship," valuation process, TVA statutory requirements, etc.)	<ul style="list-style-type: none"> — TVA continues to promote the NRP throughout the Valley, providing opportunities for the public to ask questions and submit comments. In addition, TVA is committed to incorporating public feedback in the final NRP
 Encourage and incorporate public input into the development of the NRP, allowing for sufficient time and opportunity to comment.	<ul style="list-style-type: none"> — Public input is being solicited through the public comment period, visits to a number of other agencies, and RRSC advice
 Explain the purpose and process of NRP and its limitations	<ul style="list-style-type: none"> — The introductory chapters of the draft NRP provide a detailed description of the purpose and overall planning process as well as highlight how the NRP will drive stewardship decisions in the future
 Ensure review and revision of the NRP as needed at appropriate intervals, not to exceed five years	<ul style="list-style-type: none"> — TVA is committing to update the NRP on a regular schedule similar to the IRP (every 5 years)

	Feedback	How Was It Incorporated?
✓	Simplify/streamline NRP to improve clarity	— Updated the NRP structure and layout to help present what TVA “will do” in a clear and concise manner
✓	Increase focus on public outreach and education	— Added focus on public outreach throughout the NRP as well as strengthened links between resource area outreach efforts
✓	Incorporate recreation opportunities throughout the NRP to reflect public scoping period	— Highlighted recreation opportunities (where applicable) in the benefits section of each program
✓	Clearly define implementation approach (priorities, sequencing, cost, etc.) and performance measures	— Developed a dedicated implementation strategy chapter that lays out TVA’s implementation timeline, focus areas, and funding targets as well as monitoring and assessment processes
✓	Highlight economic benefits associated with stewardship activities	— Included a section on economic benefits in Chapter 1 – Introduction
✓	Provide an overview of historical TVA stewardship activities including spend data	— Included a section on historical TVA resource management spend in Chapter 1 – Introduction
✓	Highlight current TVA programs/activities as compared to those presented in the NRP	— Improved focus on current activities as compared to what it proposes to do in the resource area chapters
✓	Provide reasoning for program activity table values	— Added activity value reasoning within the EIS
✓	Identify risks associated with not implementing NRP programs	— Identified both benefits and risks of NRP implementation efforts in Chapter 2 – Roadmap for Success

TVA RRSC Feedback – June 2011 Working Session

Feedback	How Was It Incorporated?
 <p><u>Data Management</u></p> <ul style="list-style-type: none"> — Present data capture and management as a core component of the NRP — Develop a plan to make current data compatible with other state and federal agencies 	<ul style="list-style-type: none"> — The final NRP highlights the importance of data collection, management, and sharing as part of it's implementation strategies (both overall and resource area specific) — TVA's data management efforts include a strong focus on partnerships and compatibility
 <p><u>Measuring results</u></p> <ul style="list-style-type: none"> — Define process and metrics for measuring the success of the NRP, including a regular NRP refresh 	<ul style="list-style-type: none"> — TVA's roadmap for success presents the NRP evaluation process, which includes an annual review and a 5-year refresh
 <p><u>Partnerships</u></p> <ul style="list-style-type: none"> — Emphasize partnerships and collaborative working environments as a key element of implementation 	<ul style="list-style-type: none"> — A core component of the NRP is creating and maintaining collaborative relationships throughout the Tennessee Valley — TVA recognizes that it cannot fully implement the NRP's preferred alternative without partnerships
 <p><u>Benefits</u></p> <ul style="list-style-type: none"> — Highlight the benefits of cost avoidance as a result of the NRP — Outline the NRP benefits (in terms of return on investment) to rate payers and distributors 	<ul style="list-style-type: none"> — Chapter 1 (Introduction) of the final NRP highlights benefits associated with natural resources management, including economic value-add, cost avoidance, and rate payer benefits



Feedback	How Was It Incorporated?
<p><u>Implementation:</u></p> <ul style="list-style-type: none"> — Describe “where we are” and “where we are going” both at an overall and programmatic level — Outline the NRP “Roadmap to Success”, including a narrative around funding levels — Highlight the integral role public engagement plays in all implementation efforts — Define roles between state and federal agencies (specifically with water resources) — Maintain newly achieved levels of implementation throughout the NRP 	<ul style="list-style-type: none"> — TVA’s NRP implementation strategy is clearly described at an overall level (Chapter 2 – Roadmap For Success) and resource area specific level (Chapters 3-8) — Current and future activities are addressed at a programmatic level in each resource area chapter — Overall funding levels are discussed in Chapter 2 — Public engagement is a core component of all implementation activities, both overall and resource area specific — Chapter 6 (Water Resources) highlights the roles that regional stakeholders play in water resources management — The NRP is focused on re-establishing, maintaining, and evolving the baseline level of effort that TVA accomplishes on an annual basis

TVA Public Comments – Summary

Feedback	How Was It Incorporated?
 <p>The array of program options, priority levels, and alternatives, as well as the description of the proposed plan, is confusing and makes it very hard to determine what TVA intends to do</p>	<ul style="list-style-type: none"> — Updated the NRP structure and layout to help present what TVA “will do” in a clear and concise manner — Program options and supporting details are included in the EIS
 <p>Strongest support for alternative C (Flagship Management) as the most effective and comprehensive approach to TVA’s resource management activities</p>	<ul style="list-style-type: none"> — Better defined the NRP’s implementation strategy to layout how TVA will work to maintain and enhance natural resource activities
 <p>Support for alternative D with the addition of various programs included in alternative C</p>	<ul style="list-style-type: none"> — Made adjustments to alternative D as a result of public comments (e.g., water quality related programs)
 <p>Numerous commenters requested increasing the proportion of lands allocated to conservation instead of developed recreation; conversely, little support for increased allocation for developed recreation</p>	<ul style="list-style-type: none"> — TVA will consider these comments when making future land use decisions — The majority of these comments were specific to Pickwick Reservoir lands
 <p>TVA’s current and proposed expenditure for natural resource management, particularly for alternative D, is disproportionately low relative to the land base and the expenditures of other agencies with similar NRM responsibilities</p>	<ul style="list-style-type: none"> — As part of its implementation strategy, the NRP seeks to identify and develop additional support opportunities to expand and enhance implementation efforts
 <p>The current level of resource management activities is not clearly defined</p>	<ul style="list-style-type: none"> — Improved focus on current activities as compared to what it proposes to do in the resource area chapters

Updates to the NRP Between Draft and Final

Updates to the NRP Between Draft and Final

To align with the IRP, the draft NRP used a similar structure to present TVA's natural resources management strategy

Draft Chapters
1 – Introduction
2 – Public Participation
3 – Resource Area Overviews
4 – Program Options
5 – NRP Program Analysis
6 – Implementation Strategy

- ◆ The draft NRP focused on the presentation of strategic options and analysis in a similar fashion to the IRP
- ◆ The final NRP lays out the specific natural resource strategy for TVA's future stewardship efforts



Updates to the NRP Between Draft and Final (Cont'd)

The structure of the final NRP has been adjusted to improve readability and to better define TVA's future natural resources management efforts

Significant detail has been added to the implementation strategy



Final Chapters	
1 – Introduction	
2 – NRP Roadmap For Success	
3 – Biological Resources	
4 – Cultural Resources	
5 – Recreation	
6 – Water Resources	
7 – Reservoir Lands Planning	
8 – Public Engagement	



A section on overall economic benefits and historical TVA spending has been added to the introduction



All resource area discussions have been consolidated into individual chapters (history, benefits, programs, etc.)

Review of Final NRP by Resource Area

TVA Resource Area Discussions

Each TVA specialist will present their resource area in the following format

Resource area goal

- ◆ Expected benefits
- ◆
- ◆

Characteristic	Current	NRP
Characteristic #1 <i>Definition of characteristic</i>	Reactive	Proactive
Characteristic #2 <i>Definition of characteristic</i>		
Characteristic #3 <i>Definition of characteristic</i>		
Characteristic #4 <i>Definition of characteristic</i>		

Resource Area – Feedback Incorporated



Feedback (from RRSC or public)

- ◆ How was it incorporated/resolved?

xxx

- ◆ xxx

xxx

- ◆ xxx

xxx

- ◆ xxx

xxx

- ◆ xxx

Also, we will take a look at how RRSC and public feedback was specifically incorporated in each resource area

TVA Biological Resources Management (Chapter 3)

TVA will manage biological resources under its care in a holistic, ecologically sound manner to maintain biological diversity while supporting multiple uses to meet stakeholder expectations

- ◆ Improved understanding of current land and resource conditions
- ◆ Increased protection and enhancement efforts of biologically diverse habitats
- ◆ Enhanced public awareness of land use impacts
- ◆ Promotion of environmentally sustainable dispersed recreation
- ◆ Development of partnerships

Characteristic	Current	NRP
Land Stewardship <i>Actively gather resource data to address and prioritize land maintenance and stewardship needs.</i>	Various, incomplete databases	Central, comprehensive database
Habitat and Species Management <i>Develop and implement proactive methodologies to protect, manage, and enhance bio-diversity in the Tennessee Valley.</i>	Reactive	Proactive
Dispersed Recreation <i>Maximize public land use benefits by protecting, maintaining, and expanding recreational and educational opportunities.</i>	Fragmented	Coordinated
Public Outreach and Awareness <i>Conduct proactive, integrated education efforts about the importance of biological resources and their effect on quality of life.</i>	Independent	Integrated

Biological Resources – Feedback Incorporated

Increase focus on public outreach and education

- ◆ Biological resources management programs focus on proactive, integrated efforts both internally and externally to educate the public about the importance of biological resources and their positive effect on quality of life

Incorporate recreation opportunities throughout the NRP

- ◆ Dispersed recreation and land stewardship programs focus on improving conditions and expanding opportunities for those who enjoy hiking, camping, and other outdoor activities, including educating the public on resource impacts associated with human use

Establish data management as a high priority

- ◆ The land conditions assessment and stewardship maintenance program proactively collecting data to gain a better understanding of resource needs
- ◆ TVA merged its Natural Heritage and wetlands databases into a single program (sensitive resources data management) to streamline data collection and sharing efforts

Emphasize partnerships and collaboration as a key element of implementation

- ◆ TVA will leverage its data sharing capabilities as well as involvement in various natural resource groups (e.g., Partners in Flight) to create collaborative and integrated working environments in an effort to support diverse habitats in a sustainable manner

EPA request – Terrestrial Greenhouse Gas Sequestration Management

- ◆ TVA added an activity to continue its research efforts on 41 acres near Watts Bar Nuclear Plant to explore how to generate carbon credits from a terrestrial carbon sequestration project

TVA Cultural Resources Management (Chapter 4)

TVA's cultural resources management will support its stewardship responsibilities in the Tennessee Valley region through the sound protection of cultural resources

- ◆ Effective and sustained protection of sensitive, non-renewable cultural resources
- ◆ Improved relationships with stakeholders that attach cultural value to TVA-managed lands
- ◆ Identification and management of historic properties
- ◆ Increased education and awareness around the importance of protecting cultural resources
- ◆ Compliance with all relevant laws and regulations concerning cultural resources

Characteristic	Current	NRP
Enforcement <i>Support enforcement efforts to protect the cultural resources found on TVA-managed lands.</i>	Limited	Expanded
Protection <i>Monitor and protect archaeological resources to prevent looting and shoreline erosion.</i>	Responsive	Proactive
Data Management <i>Compile and maintain accurate and up-to-date data on cultural resources.</i>	Minimal, fragmented	Enhanced, collaborative
Public Outreach and Awareness <i>Conduct proactive, integrated education efforts about the importance of cultural resources and their effect on quality of life.</i>	Reactive, independent	Targeted, integrated

Cultural Resources – Feedback Incorporated

-  ***Increase focus on public outreach and education***
 - ◆ The Thousand Eyes program increases awareness around the need to protect the non-renewable resources through educational events around the Tennessee Valley and continued outreach to new and existing partners

-  ***Incorporate recreation opportunities throughout the NRP***
 - ◆ Cultural resource programs promote heritage tourism and recreation opportunities in association with cultural resources, such as the development of TVA-owned historic properties for tourism through the preserve American program

-  ***Establish data management as a high priority***
 - ◆ The preservation program aims to capture, maintain, and share information on TVA's cultural and historic resources

-  ***Emphasize collaboration and partnerships as a key element of implementation***
 - ◆ Efforts in this area leverage partnerships with tribes, SHPOs, state and federal agencies, and nongovernmental organizations to protect and enhance the region's cultural resources

-  ***Exercise caution when assigning a monetary value to cultural resources***
 - ◆ The overall NRP focuses on both qualitative and quantitative benefits associated with resource related activities. Specifically for cultural resources, each program highlights its associated benefits, especially those that are non-monetary

TVA Recreation Management (Chapter 5)

TVA's recreation management programs will protect and conserve natural resources while providing recreational opportunities across the region

- ◆ Increased recreation opportunities on TVA-managed lands
- ◆ Improved and up-to-date recreation information to support TVA and regional planning efforts
- ◆ Greater diversity of recreation opportunities through collaboration and partnerships
- ◆ Promotion of sustainable resource technologies on recreation properties (e.g., Melton Hill campground site)
- ◆ Integrated operation activities and partnerships that support outdoor recreation opportunities to more effectively manage lands and waters under TVA's stewardship

Characteristic	Current	NRP
Innovation <i>Evolve recreation areas to meet best management practices and sustainable technologies.</i>	Standard facilities	Demonstration facilities
Enhancement/Expansion <i>Seek improvement and growth in recreation opportunities.</i>	Maintenance-focused	Improvement-focused
Data Management <i>Compile and maintain accurate and up-to-date data on recreation areas.</i>	Various, incomplete	Comprehensive
Public Outreach and Awareness <i>Conduct proactive, integrated education efforts about the importance of recreation and its effect on quality of life.</i>	Ambiguous information	Interactive tools

Recreation Management – Feedback Incorporated

-  ***Increase focus on public outreach and education***
 - ◆ The annual tours program and Camp-Right program helps create awareness and promote recreation opportunities on TVA lands

-  ***Incorporate recreation opportunities throughout the NRP***
 - ◆ Recreation management programs focus on the promotion and management of recreation areas; these programs also align with programs in other resource areas that promote recreation such as preserve America (cultural) and dispersed recreation (biological)

-  ***Establish data management as a high priority***
 - ◆ Recreation information management and inventory programs create an accurate, up-to-date, and easily accessible recreation database that supports other resource area activities as well as regional and national initiatives

-  ***Emphasize collaboration and partnerships as a key element of implementation***
 - ◆ Recreation management efforts continue current and develop new partnerships with state, federal, and local agencies, commercial recreation owners and managers, and nongovernmental organizations

-  ***Utilize recreation management to emphasize sustainable technology innovations***
 - ◆ The establishment of a flagship campground (Melton Hill) and the continued promotion of the Camp-Right program demonstrate TVA's leadership in technology innovations

TVA Water Resources Management (Chapter 6)

TVA will promote water quality and aquatic habitat improvements across the Tennessee River watershed through collaborative partnerships

- ◆ Improved protection and enhancement of aquatic habitats and biological communities
- ◆ Greater public awareness of land use impacts and a potential for invasive species
- ◆ Expanded collaborative efforts to better protect biodiversity within the Tennessee River watershed
- ◆ A more comprehensive understanding of stream, reservoir, and tailwater conditions
- ◆ Increased participation in meeting the objectives of the Clean Water Act

Characteristic	Current	NRP
Water Quality Improvement <i>Proactively identify and address sources of water contamination and actively protect healthy waters.</i>	Responsive, local	Prioritized, regional
Data Management <i>Collect and share water resource data to provide a comprehensive view of conditions in the Tennessee River system.</i>	Independent	Collaborative
Strategic Partnerships <i>Develop relationships with federal, state and regional agencies to support stewardship opportunities and produce measurable water quality improvement.</i>	Minimal, as available	Expanded, proactive
Public Outreach and Awareness <i>Conduct proactive, integrated education efforts about the importance of water resources and their effect on quality of life.</i>	Internal, water resource focused	External/Internal, integrated

Water Resources – Feedback Incorporated

- ✓ ***Incorporate recreation opportunities throughout the NRP***
 - ◆ Water resources programs focus on integration with other resource area activities to create/maintain recreational opportunities. For example, through shoreline stabilization efforts, TVA is able to proactively protect archaeological sites for dispersed recreational opportunities

- ✓ ***Define roles between state and federal agencies***
 - ◆ The NRP includes a section in the water resources implementation strategy that describes the relationships and responsibilities of key regional stakeholders

- ✓ ***Increase stream and tailwater monitoring efforts***
 - ◆ As part of the stream and tailwater monitoring program, TVA adjusted/increased the number of monitoring stations in the preferred alternative

- ✓ ***Provide clarity on how TVA will identify and manage emerging water resource issues***
 - ◆ TVA is developing three new programs to better identify and address emerging water resource issues

- ✓ ***Better define how TVA will protect its bio-diverse aquatic habitats***
 - ◆ TVA added an activity in the aquatic ecology management that focuses on protecting and enhancing biodiversity in healthy watersheds, such as Clinch, Powell, and Duck watersheds

TVA Reservoir Lands Planning (Chapter 7)

The NRP selects the Comprehensive Valleywide Land Plan, which:

- ◆ Provides a systematic method for planning public lands to balance stewardship objectives, resource and public needs, and TVA obligations
- ◆ Establishes target ranges for allocations to each land-use zone
- ◆ Increases flexibility and clarity in the lands planning process
- ◆ Creates a balance between competing and sometimes conflicting land uses

Allocation Designation		Percent of Lands
Zone 2	Project Operations	5% - 7%
Zone 3	Sensitive Resource Management	16% - 18%
Zone 4	Natural Resource Conservation	58% - 65%
Zone 5	Industrial	1% - 2%
Zone 6	Developed Recreation	8% - 10%
Zone 7	Shoreline Access	5%

Characteristic	Current	NRP
Planning Approach <i>Define approach for how TVA reservoirs will be evaluated and planned in future.</i>	Reservoir-specific	Holistic, Valleywide
Methodology <i>Establish methodology to classify parcels or tracks within TVA reservoirs.</i>	Multiple, varies	Single
Zone Definitions <i>Define appropriate use of TVA-managed lands.</i>	Slight variations	Standardized
Planning Cycles <i>Determine frequency by which land plans are developed, reviewed, and updated.</i>	Long, protracted	Short, flexible

Reservoir Lands Planning – Feedback Incorporated

-  ***Update individual reservoir lands plans more frequently***
 - ◆ The public has expressed this preference, and the Comprehensive Valleywide Land Plan will provide the flexibility to update plans on a more regular basis than has occurred in the past

-  ***Incorporate recreation opportunities throughout the NRP***
 - ◆ Recreation surveys were evaluated and have been taken into consideration during development of the ranges

-  ***Numerous commenters requested specific changes to individual reservoirs (Pickwick)***
 - ◆ These were not addressed in the NRP since it was out of scope, though they will be considered as individual reservoir plans are updated

TVA Public Engagement (Chapter 8)

TVA will actively develop and evolve public engagement programs to increase public awareness, education, and involvement opportunities (e.g., volunteers) in support of implementing NRP programs in an integrated manner with TVA and external stakeholders

- ◆ Increased the public’s awareness and appreciation of the resources within the Tennessee Valley Region through an integrated education and communication effort across all resource areas
- ◆ Greater public understanding of the value and benefits associated with the protection of natural resources
- ◆ Increased sense of public ownership and pride in the management of the region’s natural resources

Characteristic	Current	NRP
Education and Communication <i>Create awareness and understanding of the importance and availability of natural resources throughout the Tennessee Valley.</i>	Independent, by resource area	Integrated
Involvement <i>Create opportunities for public involvement in natural resources management.</i>	Independent, by resource area	Integrated
Partnerships <i>Develop and maintain strategic relationships with federal and state agencies as well as non-government organizations that possess similar stewardship interests.</i>	Independent, by resource area	Integrated

Public Engagement – Feedback Incorporated

Increase focus on public outreach and education

- ◆ Public engagement programs specifically focus on coordination and integration of public outreach efforts across all resource areas in the NRP

Incorporate recreation opportunities throughout the NRP

- ◆ The environmental education program helps to inform the public of available recreation opportunities across all resource areas while highlighting individual's responsibility to enjoy these resources in an ecologically sound manner

Establish data management as a high priority

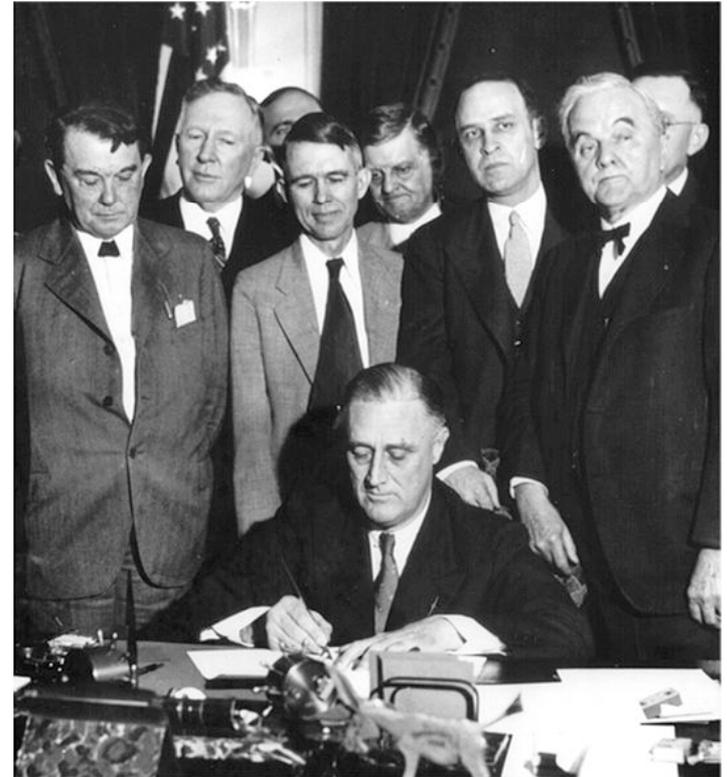
- ◆ Public engagement efforts leverage all NRP-related data sources (e.g., Natural Heritage database and historical properties database) to develop communication and education materials

Emphasize partnerships and collaboration as a key element of implementation

- ◆ Partnerships are an integral part of successfully implementing the NRP and will be created/managed in a coordinated manner across all resource areas

TVA History of TVA Funding

- ◆ From its inception in 1933 through most of the 1950's, TVA received federal appropriations to fund its operations
- ◆ In 1959, Congress passed legislation that made the TVA power system self-financing
- ◆ However, TVA continued to receive appropriations to fund its stewardship programs
- ◆ In addition to appropriations, TVA's funding for stewardship activities also came from power revenues and non-power revenues such as agricultural leases, timber sales, and recreation user fees



Elimination of Appropriations

- ◆ In 1998, Public Law 105-62, the Energy and Water Development Act of 1998, ceased the remaining federal appropriations to TVA

“TVA is and plans to continue funding its essential stewardship activities with funds primarily from its power program (and other funds to the extent available) so long as Congress does not make appropriations available for these activities.”

- ◆ TVA’s “essential stewardship activities” are programs that provide various public services, including managing navigable river channels, providing flood control and overseeing recreation facilities

- ◆ At the time the law was passed, TVA was spending approximately \$79 million on these activities

TVA Essential Stewardship Spending Since 1997



Natural Resource Mgmt



Navigation

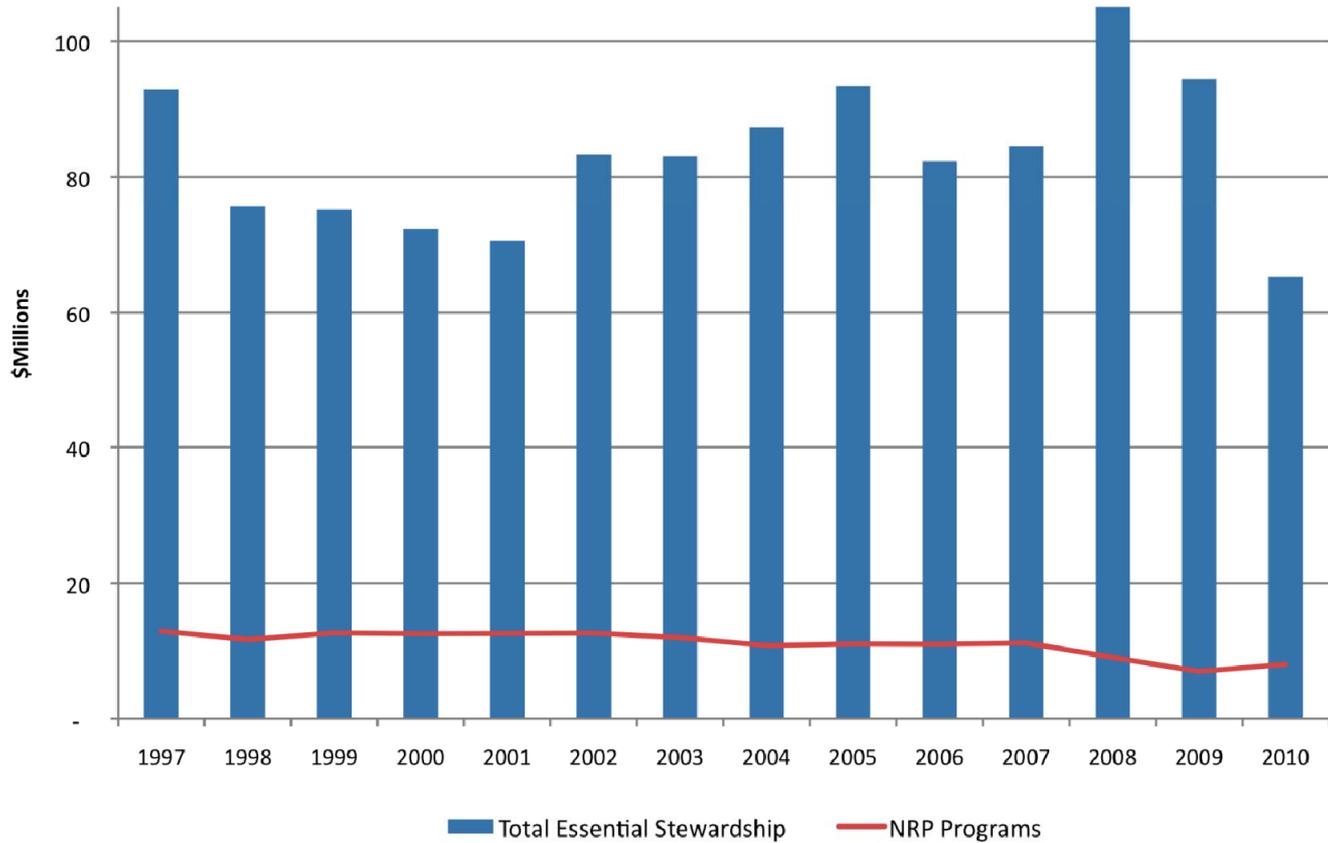


Dam Safety



Flood Control

Essential Stewardship Activities



TVA FY10 Essential Stewardship Spending Breakdown

2010 Former Appropriations Essential Stewardship Breakdown

River Operations:

Capital Dam Safety Improvements	2,545,995
Capital River Basin Land	1,039,658
O&M Daily Reservoir Operations/Emergency Preparedness	1,711,428
O&M Dam Safety Operations and Maintenance	38,895,084
O&M Navigation	(1,870)
O&M Reservoir Operations	23,851
O&M Reservoir Release Improvements/River Action Teams	<u>2,927,364</u>
Sub-Total	\$47,141,510

TVA Facilities:

O&M River Basin Land	8,538,162
Sub-Total	\$8,538,162

Environment and Technology:

O&M River Hazardous Waste	881,942	} Out of scope
O&M Mosquito/Plant Management	760,743	
O&M Regional Nature Heritage/Cultural Resources	2,344,151	} NRP
O&M Reservoir Shoreline Stabilization/Shoreline Management	1,063,610	
O&M Land Use Strategy/River Basin Land	<u>4,589,131</u>	

Sub-Total	\$ 9,639,577
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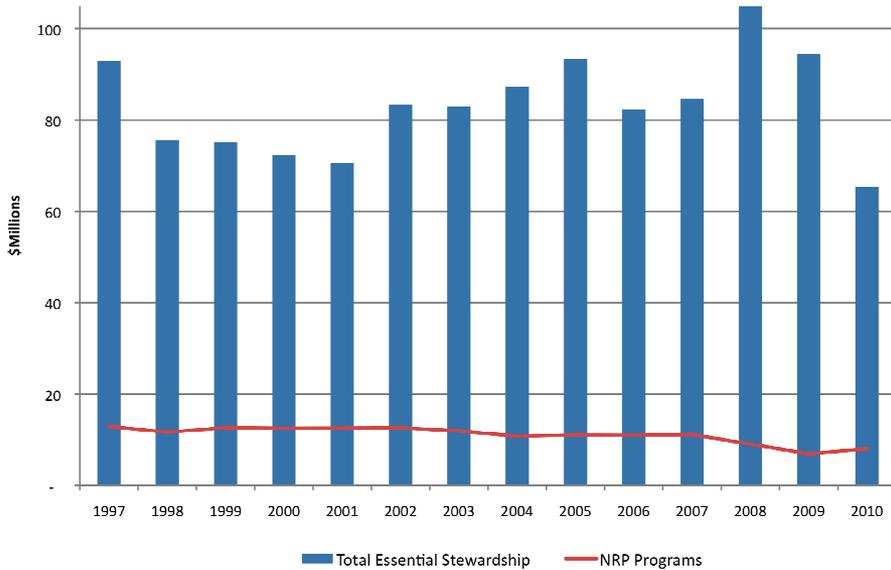
Total	\$65,319,249
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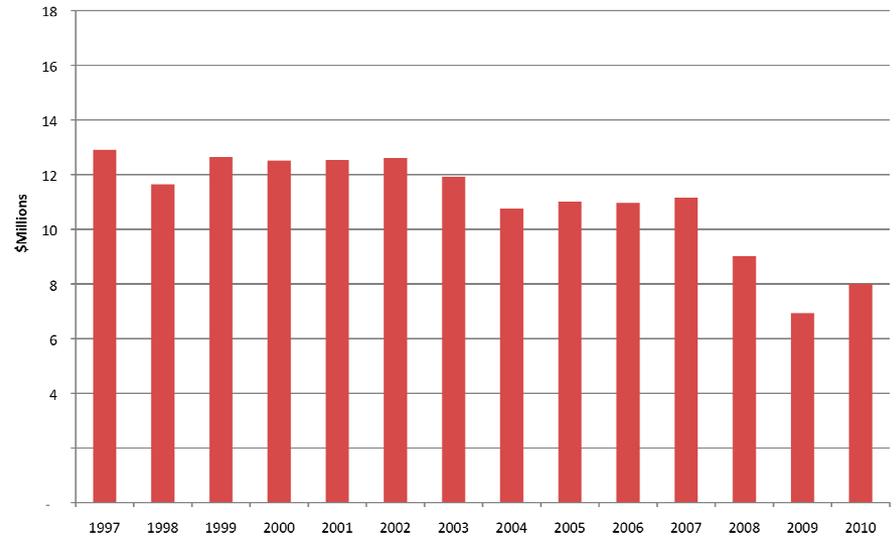
TVA Essential Stewardship Spending

Below is a history of TVA's essential stewardship and NRP spend in the recent past

Essential Stewardship Spending



NRP Program Spending



TVA Natural Resource Plan – Estimated Benefits

Estimated Benefits	
Reputation Benefits (Intrinsic)	
Direct public interface (even though wholesaler role in energy)	
Differentiates from other energy providers – land holdings provide more opportunity	
Key to TVA's business model as a federal agency (interagency review, financing, etc)	
Protection of non-renewable resources (cultural, archeological, threaten/endangered)	
National influencer regarding Federal Land Mgmt	
TVA Benefits (Savings and Avoided Costs)	
Flood control value	
Value of control of river for thermal control	
Value of control of river systems for hydro generation	
Revenue from recreation agreements, ag. licenses, fees and reimbursables	
TVA Benefits Range	\$30-\$40M
Public Benefits (Portion Attributed to TVA)	
Marina and recreational boating reservoirs (\$8B annually)	\$8M
Expenditures in the Valley by recreational visitors (\$2.6B annually)	\$26M
Value of reservoir and tailwater fishing	\$5M
Public Benefits Estimate	\$39M
Estimated Total Annual Benefits	\$69-79 M

PHASE I ▶

Establish a Foundation for Success While Maintaining Baseline Activities

Keys to Success

- Maintain current efforts to meet regulatory and legal requirements
- Expand data management and information sharing opportunities
- Gain a better understanding of the resource base and current conditions
- Develop and maintain partnerships to support implementation efforts
- Strengthen integration between resource areas during implementation
- Establish an NRP assessment process and metrics to measure results
- Begin adapting reservoir land plans to single-use parcel allocation methodology

PHASE II ▶

Implement Programs to Sustain, Maintain and Improve Resource Conditions

Keys to Success

- Evaluate NRP implementation efforts and refresh the plan based on progress
- Continue to address resource needs through a systematic implementation approach
- Establish or partner with a foundation and trust fund to support expansion of NRP programs
- Continue to strengthen collaborative working environments
- Finish updating remaining reservoir land plans to single-use parcel allocation

PHASE III

Continue to Enhance and Improve TVA's Stewardship Efforts

Keys to Success

- Refresh NRP on a five-year cycle
- Focus enhancement or expansion efforts through building partnerships, corporate sponsorships, or other collaborative means
- Update reservoir land management plans on a rotational or as-needed basis

FIVE-YEAR NRP REFRESH CYCLE

- ◆ The first priority of the NRP is to ensure TVA complies with all regulatory and legal requirements
 - In 2010, TVA spent \$7 million on NRP-related programs
 - To meet compliance obligations in 2012, spending must increase to \$9 million

- ◆ However, the intent of the NRP is not to stop at compliance, but rather to strive towards full implementation of the plan within a 20-year timeframe
 - Full implementation will require funding of \$19-\$20 million per year
 - This will be achieved through a combination of:
 - User fees
 - Reallocation of essential stewardship funding
 - Recreation agreements
 - Application fees
 - Compliance funding
 - Partnerships
 - Sponsorships (e.g., corporate)
 - TVA base budget

The RRSC will present a resolution to the Board at the August 18th meeting

- ◆ This resolution needs to answer *how* are things today, *what* does TVA need to do, *why* does TVA need to do it, and *when* does TVA need to do it by
- ◆ As such, does the NRP:
 - Meet the intended needs of the Valley’s resources and lands?
 - Support TVA’s obligations of essential stewardship to the Tennessee Valley?
 - Promote partnerships and collaborative natural resources management?
 - Enable proactive stewardship through its programs/activities?

PROPOSED RRSC RESOLUTION

WHEREAS the Regional Resource Stewardship Council was established to advise TVA on its stewardship activities and its stewardship priorities among competing objectives and values; and

WHEREAS TVA has a Vision to become one of the nation’s leading providers of low cost and cleaner energy by 2020; and

WHEREAS this vision calls for a focus on proactive stewardship through the protection and enhancement of the region’s natural resources as part of this vision; and

WHEREAS TVA has an Environmental Policy with an overarching objective for TVA to engage in proactive environmental stewardship in a balanced and ecologically sound manner; and

WHEREAS TVA has completed a Natural Resource Plan (NRP) that guides TVA in stewardship of the natural resources in its care over the next 20 years; and

WHEREAS the process used to develop the NRP was comprehensive and involved multiple opportunities for the public to contribute to and influence the NRP through innovative communication methods; and

WHEREAS an important part of this public involvement effort was the use of this Regional Resource Stewardship Council to provide comments on and critique of analyses and process steps as the NRP was developed; and

WHEREAS TVA also prepared and released an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act that carefully evaluated the potential environmental impacts of a range of program options; and

WHEREAS the NRP provides a roadmap to meet the intended needs of the Tennessee Valley’s resources and lands; and

WHEREAS the NRP promotes collaboration and the formation of partnerships with state, local, and other federal agencies, nongovernmental organizations, and Native American tribes to enhance natural resources management; and

WHEREAS the NRP enables proactive stewardship and TVA going “above and beyond” the basic requirements of natural resource management as called for in the TVA Act and other regulations; and

WHEREAS the NRP calls for a “refreshed” analysis of its programs and activities within five years;

BE IT RESOLVED that the Regional Resource Stewardship Council hereby determines that the NRP recommended strategy is consistent with the Council’s advice and guiding principles on stewardship activities for TVA; and

BE IT RESOLVED FURTHER that the Regional Resource Stewardship Council advises the TVA Board of Directors to accept the NRP and direct the CEO to implement the recommended strategy in formulating TVA’s proposed natural resource planning activities; and

BE IT RESOLVED FURTHER that the Regional Resource Stewardship Council recommends TVA continue to strive for even greater leadership in environmental stewardship, using this NRP as a first step towards this goal; and

BE IT RESOLVED FURTHER that the Regional Resource Stewardship Council commits to continue to work with TVA on implementation of this NRP and on achieving success in natural resources management for the people of the Tennessee Valley.

Next Steps

- ◆ Finalize and publish NRP

- ◆ Mandatory 30-day waiting period

- ◆ Present at August 18th Board meeting
 - RRSC members are encouraged to attend
 - If approved, a resolution to the Board will be presented

- ◆ Begin implementation efforts and report progress at Fall RRSC meeting