

No. 13-01

Approved by the Board of Directors
at its April 18, 2013, meeting:

Original Signed by Ralph E. Rodgers
Executive Vice President, General
Counsel and Secretary

MINUTES OF MEETING
OF
THE BOARD OF DIRECTORS
TENNESSEE VALLEY AUTHORITY
FEBRUARY 14, 2013

A meeting of the Board of Directors of the Tennessee Valley Authority was held in the TVA Missionary Ridge Auditorium, 1101 Market Street, Chattanooga, Tennessee, on February 14, 2013. The meeting was called to order at 9:53 a.m. (EST) after an approximately twenty-minute break following the listening session which began at 8:29 a.m. (EST). The meeting was announced to the public on February 7, 2013. The meeting was open to public observation.

All current Board members were in attendance, as follows: Director and Chairman William B. (Bill) Sansom, and Directors Barbara S. Haskew, Neil G. McBride, Richard C. Howorth, V. Lynn Evans, C. Peter (Pete) Mahurin, Michael (Mike) McWherter, and Joe H. Ritch.

Also present were TVA officers including William D. (Bill) Johnson, President and Chief Executive Officer; Ralph E. Rodgers, Executive Vice President, General Counsel and Secretary; John M. Thomas, III, Executive Vice President and Chief Financial Officer; and Michael D. (Mike) Skaggs, Senior Vice President, Nuclear Construction.

Chairman Sansom 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 the Tennessee Valley Authority. A quorum was present.

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Chairman Sansom called the meeting to order.

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13-01-1. Welcome

Chairman Sansom welcomed those in attendance and expressed appreciation to TVA's employees in Chattanooga for all they do and, more specifically, for their work in preparing for the day's meeting. He then recognized guests in the audience, including: Jack Simmons from the Tennessee Valley Public Power Association ("TVPPA"); Ronny Rowland from the Prentiss County (Mississippi) Electric Power Association; John Van Mol and Pete Mattheis from the Tennessee Valley Industrial Committee ("TVIC"); Denise Clopton from U.S. Senator (R-GA) Johnny Isakson's office; and Mayor Milton Potter from Scottsboro, Alabama. Chairman Sansom stated the Board appreciates TVA's customers and TVA's relationships with those customers,

and added that TVA keeps working to improve those relationships. Chairman Sansom then introduced newly seated Directors Evans, Mahurin, McWherter, and Ritch, provided a brief synopsis of the experience each new Director brings to TVA's Board, and welcomed TVA's new President and Chief Executive Officer, Bill Johnson, stating that the Board appreciates his work and leadership, and looks forward to working with him. The Chairman then recognized the presence of Evann Freeman from U.S. Senator (R-TN) Lamar Alexander's office, and invited and received brief remarks from TVPPA's Jack Simmons and TVIC's Pete Mattheis.

At this point Chairman Sansom made brief remarks regarding TVA's new Board members and Chief Executive Officer, interactions to date with this group, and some upcoming business to be covered in the day's meeting. Chairman Sansom then invited and received brief remarks from each Board member. Following these remarks, Chairman Sansom mentioned the Board's ongoing learning process regarding its proper role, since the (2004) amendments to the TVA Act that changed TVA's governance structure. He encouraged TVA stakeholders to support the Board's continuing efforts, explaining that the Board wants to fulfill its proper strategic, rather than operating role.

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New Business

13-01-2. President's Report

President and Chief Executive Officer William D. (Bill) Johnson welcomed the new Board members and stated he is looking forward to working with the Board. He expressed his appreciation for the kind comments made by Board members during their remarks and stated his

objective is to prove every day that the Board made the right choice. During his first forty-four days on the job, Mr. Johnson has spent most of his time meeting with employees, customers, and public officials, the people who count on TVA every day and on whom TVA counts every day.

Mr. Johnson stated that one of the first things he and the management team are stressing is safety in everything TVA does, adding that safety is important for its own sake, though he also noted that TVA's safety performance is a proxy for the attention paid by TVA employees to their areas of work. Mr. Johnson then reported that TVA's recordable incident rate (the number of injuries per thousand man-hours worked) year to date is 0.44, which is top decile in the industry.

Mr. Johnson stated on the job safety is critically important, but added that TVA also has a role in public safety because people come onto TVA's operational and recreation areas. One way TVA addresses public safety risks is through use of sirens and warning signs, such as those that signal rising or falling water levels in the tail waters of TVA's dams. Because these tail waters are popular fishing areas, and water levels in the dams' tail waters can rise and fall quickly, Mr. Johnson encouraged those who fish the tail waters to pay attention to warning signs, lights, and sirens, and to leave the tail waters of TVA's dams when the sirens sound. Mr. Johnson then stated that TVA is in the process of installing new sirens at TVA's nuclear plants for purposes of emergency notification. He reported that new siren installation has been completed at Sequoyah and Browns Ferry, and is currently in progress at Watts Bar.

Mr. Johnson commented on the commitment of the TVA family to public service, and the values and spirit of public power. He stated that TVA's mission is much broader than being the largest publicly owned utility in the country, and characterized it as an historic mission.

Mr. Johnson stated that in order to perform the mission well TVA is required, every day, to

operate to the highest standards of excellence, to be customer focused, and to embrace our partnership with customers so TVA can deliver low cost, cleaner energy that helps communities have good jobs and sustainable investments. Mr. Johnson stated it is sobering to realize that there are nine million people in the Valley counting on TVA every day to do the right thing. He stated TVA needs to be “on,” all the time, for everybody. In order to do this, TVA needs to align its efforts behind one plan, internally and externally, act and speak as “one TVA,” focus on the right priorities throughout TVA’s operations, control costs, and invest customers’ money wisely.

On the environmental front, Mr. Johnson stated that TVA retired two coal units at its John Sevier plant last year, and that these were the first of eighteen coal units to be closed or idled by 2018 in order to improve air quality. Closing, idling, and retrofitting these plants is part of an agreement reached in 2011 with the federal Environmental Protection Agency and other parties, including the Sierra Club, to support cleaner air by retiring approximately 1,000 MW of coal-fired generation and replacing it with cleaner generation sources. Mr. Johnson referred to discussion during the morning’s listening session regarding the Gallatin Fossil Plant, and stated that in 2011 the Board approved emission controls at the Gallatin Fossil Plant for a number of reasons, including the positive economics of the plant, even with emission control costs, and TVA’s need for a balanced portfolio. Further, TVA still needs bigger generation plants to ensure proper operation of its transmission system (e.g., frequency response considerations).

Mr. Johnson stated that the environmental assessment on Gallatin is not yet complete, and while the current plan is to complete installation of emission controls by 2017, TVA will continue to receive and evaluate input on this issue. At the moment, Gallatin is still part of TVA’s generation plan.

Mr. Johnson then noted that a lot of TVA's lowest cost, most reliable power comes from its nuclear plants and TVA is working to improve performance in its nuclear operations, including: bringing projects in on time and on budget; equipment reliability; and the mastery of operating fundamentals. Mr. Johnson reported that the Watts Bar Unit 2 construction project continues on schedule and on budget. He added that on the secondary side of the plant (the turbine generator and building areas) construction is essentially complete, and the primary side of the plant is approximately eighty percent construction complete. Mr. Johnson reported that TVA recently completed replacement of the steam generators at the Sequoyah Nuclear Plant Unit 2 and has submitted its application to the Nuclear Regulatory Commission to extend the operating licenses of Units 1 and 2 for an additional twenty years, through 2040 and 2041. Mr. Johnson reported that TVA is working to improve operations at Browns Ferry Nuclear Plant, where TVA has had some difficulties, and must improve performance. The Nuclear Regulatory Commission (NRC) will be visiting Browns Ferry sometime this spring to conduct a "95003 inspection," a wide-ranging, diagnostic inspection that will determine whether Browns Ferry's performance and systems have improved enough to justify the removal of the NRC's pending "red" finding.

Mr. Johnson next stated that TVA is working with everyone in the region to bring jobs to the region and keep them here. He reported there had been more than thirty announcements from new or expanding companies in the first quarter with a total impact of about 8,400 new or retained jobs and almost \$1 billion in investment. Mr. Johnson also reported that first quarter sales were relatively flat due to mild weather, a slow economy, and the use of time-of-use rates;

however, revenue was essentially on plan and, excluding the nuclear outages that occurred during the first quarter, operations and maintenance costs were lower this year than last.

Mr. Johnson then noted that TVA avoided a rate increase for FY 2012. Mr. Johnson explained that, overall, revenue and sales are trending down due to a slow economy, weather, and energy efficiency. Mr. Johnson stated energy efficiency is the right thing to do, and TVA is committed to helping customers lower their bills. Mr. Johnson noted that the general problem of revenue going down and spending going up can be addressed in several ways, but that TVA's first solution will be to improve efficiency, rather than raise rates.

Commenting on operations, Mr. Johnson stated TVA runs a large and diverse power system where maintenance and repairs are ongoing tasks. He discussed the repairs being performed at the Raccoon Mountain pumped-storage hydroelectric facility, and stated that the repairs on all four generating units should be completed by mid-2013 to mid-2014, at a cost of \$80 million to \$85 million. Mr. Johnson then reported that, in part due to scheduled outages, nuclear generation was twenty-eight percent lower during the first quarter when compared to the first quarter of last year, coal generation was forty-two percent higher, and gas generation was twenty-seven percent higher. Mr. Johnson stated this is a good example of why a diverse fleet is important. Mr. Johnson noted that when nuclear plants are down for maintenance or other reasons, if a utility has other generation assets, it can generate power more cheaply than it can purchase power from others, which is exactly what TVA's diverse generation portfolio accomplished during this year's nuclear outages.

Mr. Johnson then briefly remarked on the upcoming revision of TVA's Integrated Resource Plan, which was approved by the Board in 2011, stating that TVA is undertaking this effort because the world has changed dramatically in the last few years. TVA is developing a plan and intends to work with stakeholders throughout the Valley and listen to what they have to say.

On another key operational issue, Mr. Johnson reported that rainfall during January was two hundred and twenty percent of normal, and that without TVA's flood control efforts, the Valley would have suffered an estimated \$800 million in structural damage.

Mr. Johnson closed his remarks with a personal commitment, noting that the opportunity to carry out TVA's mission is a privilege. He emphasized that TVA has a lot of work to do, and stated one of those tasks is to continue the Kingston clean-up. Mr. Johnson reported the clean-up is going well, and stated that when TVA is done, everyone will be pleased with the condition of the site. Mr. Johnson stated his plan is to help TVA achieve excellence in everything it does every day, to continuously improve, to uphold the values and spirit of public power, and to set very high standards for performance.

Copies of the slides used by Mr. Johnson in his report are filed with the records of the Board as Exhibit 2/14/13A.

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Old Business

The Board approved the minutes of the meetings held November 15, 2012, and December 10, 2012.

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New Business**13-01-3. Report of the External Relations Committee**

Director Howorth, Chairman of the External Relations Committee, reported that energy efficiency is part of the Committee's responsibility, and at the Committee's last meeting it received a staff report on progress toward using energy with near-zero carbon emissions. Director Howorth then requested and received a report from Bill Johnson, President and Chief Executive Officer, regarding Minute Item No. 13-01-4.

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13-01-4. Clean Energy Update

Bill Johnson, President and Chief Executive Officer, referenced TVA's Vision to be a leader in low cost, cleaner energy by 2020. Mr. Johnson then defined "clean energy" as that which produces zero or near-zero carbon emissions, the biggest source of which is nuclear power. He defined "renewable energy" as a separate part of clean energy, as energy production that is sustainable and often naturally replenished. Examples of renewable energy are hydro, wind, solar, landfill methane, biomass, biomass co-firing, and geothermal, with hydro being the largest

component of TVA's renewable energy generation portfolio. Mr. Johnson then reported that TVA has reduced carbon dioxide emissions twenty-eight percent from their peak in 1995, meaning TVA is currently emitting carbon dioxide at its 1990 levels. Mr. Johnson also reported that TVA has made great progress in reducing emissions of nitrogen oxide, sulfur dioxide, and volatile organic compounds. Mr. Johnson reported that, during FY 2012, forty-four percent of the energy delivered by TVA qualified as clean energy from nuclear, hydro, renewables, and energy efficiency. Mr. Johnson stated that TVA's current portfolio of clean energy includes approximately 4,600 MW of hydroelectric generation, 1,550 MW of wind generation, 70 MW of solar generation, and 30 MW of biomass generation. Mr. Johnson stated TVA is committed to a little more hydro, about 20 MW more wind, 65 MW more solar, and about 35 MW more biomass, for a planned renewable capacity commitment of about 6,400 MW. Mr. Johnson stated that these goals arose from the existing Integrated Resource Plan and, currently, TVA has added about 1,725 MW of the 1,500 MW to 2,500 MW in additional renewable capacity recommended by the Integrated Resource Plan.

Copies of the slides used by Mr. Johnson in his report are filed with the records of the Board as Exhibit 2/14/13B.

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At this point Chairman Sansom referenced remarks made by Garry Morgan during the listening session, imploring the Board to open Board Committee meetings to the public. Chairman Sansom noted it is important for Board members to receive accurate presentations when working with staff, and that extensive discussions would be less likely in public.

Chairman Sansom stated the Board has considered opening the Board Committee meetings, but believes its model is the best the Board can do to receive the right kind of input from TVA employees and thereby come to an understanding of the problems facing TVA. Chairman Sansom assured the audience that the Board is not ignoring this issue, but believes its current system is working.

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13-01-5. Report of the Finance, Rates, and Portfolio Committee

Chairman Sansom, Chairman of the Finance, Rates, and Portfolio Committee, requested and received a report from John Thomas, Executive Vice President and Chief Financial Officer, regarding Minute Item No. 13-01-6.

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13-01-6. First Quarter Financial Update

John Thomas, Executive Vice President and Chief Financial Officer, reported that first quarter revenue was essentially flat, and that while weather had been mild it was also mild last year, and was not a factor in year-over-year results. Mr. Thomas stated that TVA went to time-of-use rates in the fall, and TVA is seeing lower revenue during the first quarter because of time-of-use rates. Mr. Thomas stated that this is in accordance with plans, and that revenue will increase in the summer months. Mr. Thomas stated that milder weather did impact TVA's revenues relative to plan during the first quarter. Mr. Thomas reported that natural gas prices are higher this year than last year, and as a result TVA is running more coal generation this year. In

addition, nuclear refueling outages caused TVA to use more expensive generation this year, driving up TVA's fuel and purchased power expense, and TVA's revenue through the fuel cost adjustment. Mr. Thomas stated that operations and maintenance costs during the first quarter were below plan and lower than last year, and management is pleased with progress made in productivity efforts. Mr. Thomas stated that TVA remains in a low-interest rate environment and is aggressively taking advantage of this to fix its long-term debt portfolio. Detailing specific figures, Mr. Thomas reported that operating revenue in the quarter was \$2.579 billion, which was in line with plan; however, base rates were less than plan due to weather. Fuel revenue was \$996 million, which was more than plan and more than last year, due to the increase in fuel and purchased power expense. Mr. Thomas stated routine and project operations and maintenance was \$65 million favorable to budget, and less than last year; interest expenses were \$316 million, which is \$17 million less than plan and \$3 million less than last year. In December 2012, TVA placed a \$1 billion bond offering at 3.5 percent for a 30-year maturity.

Discussing current trends, Mr. Thomas stated that TVA expected higher fuel and purchased power expenses this year, in part due to an expectation for normal winter weather, but that actual costs are close to plan and trending lower in a manner similar to last year, though for different reasons. Mr. Thomas clarified that last year this trend was primarily driven by weather, but this year the primary driver of the trend is the abundance of hydro generation. Mr. Thomas reported that cash flow from operations, at \$257 million, was essentially on plan, being only \$5 million below projections, and the same as last year. Mr. Thomas stated that cash flow from investing, at \$652 million, was less than plan and significantly less than last year, essentially due to the timing of major projects (e.g., construction of the John Sevier combined cycle plant) that

added to last year's figure. Mr. Thomas reported that cash flow from financing, at \$439 million, was above plan, but went on to state that this metric will fluctuate with maturities throughout the year. Overall, TVA is on target to achieve its year-end goal for financing obligations, operating cash flows and investing are on plan, and TVA has maintained the high level of cash with which it began the fiscal year. TVA is positioned well for any challenges and risks it may face over the course of the year, such as weather, fuel prices, and underlying softness in demand from direct served industrial customers. He identified focus areas as managing operations and maintenance expenses while balancing the need for investment in plants.

Copies of the slides used by Mr. Thomas in his report are filed with the records of the Board as Exhibit 2/14/13C.

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13-01-7. Report of the Nuclear Oversight Committee

Chairman Sansom, on behalf of the entire Board, thanked and complimented those who worked on the steam generator replacement project at Sequoyah Nuclear Plant. Chairman Sansom stated that this was an expensive project, completed on time and on budget. Chairman Sansom then requested and received a report from Mike Skaggs, Senior Vice President, Nuclear Construction, regarding Minute Item No. 13-01-8. Following Mr. Skaggs' report, Chairman Sansom continued the Committee's report, stating that in a recent meeting the Committee discussed the regulatory issues at Browns Ferry Nuclear Plant and steps being taken by TVA to address the maximum flood impact issue raised by events at Fukushima, Japan.

Additionally, Chairman Sansom reported that, in accordance with a recommendation from the Office of the Inspector General following establishment of the new schedule and budget related to the Watts Bar Unit 2 project, the Committee also requested and received an independent briefing from McKinsey & Company on that project, and based on that briefing the Committee is satisfied the project is being handled correctly at the present time.

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13-01-8. Sequoyah Steam Generator Project

Mike Skaggs, Senior Vice President, Nuclear Construction, reported that the collaboration and accountability of those on the Sequoyah steam generator replacement project team were probably some of the best he had ever seen. Mr. Skaggs remarked on the various key people and groups that worked on the project and made it successful, stating all had done a great job. Mr. Skaggs stated the project was a complex feat of engineering design and construction, and skilled craftsmanship. Mr. Skaggs outlined the sequence of events, stating that all work was done with strong safety performance, no lost time incidents, and a recordable injury rate of 0.145 compared to a goal of 0.37. He characterized radiological performance as great, with a goal of 153.7 rem and a measurement of 147.8 rem at project completion. Mr. Skaggs stated the project also established a world record of only eight personal radiological contamination events. Mr. Skaggs reported there was careful attention to cost and schedule, and the project was completed just one and one-half days beyond the stretch goal and less than one percent off budget. Mr. Skaggs reported the steam generators are performing well, and the plant is now more reliable and of a higher quality because of the work performed. In response to inquiries

from Chairman Sansom, Mr. Skaggs stated that the project's stretch goal was completion within forty-nine days, and that the project actually was completed within fifty-one days. Regarding budget, while the project's books have not yet closed, Mr. Skaggs expects final project costs will be within \$1 million to \$2 million of the original \$350 million budget figure. Mr. Skaggs stated the new steam generators should last throughout the expected licensed life of the plant, including the pending license renewal terms of both units (i.e., through 2040 and 2041).

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13-01-9. Report of the People and Performance Committee

Director Haskew, Chairman of the People and Performance Committee, stated the Committee reviews a number of issues related to TVA's workforce, including the need for a talented workforce in the future. Director Haskew recognized Chattanooga State Community College and, in particular, mentioned that its President, Dr. Catanzaro, has been an innovator in preparing the workforce across the region. Director Haskew stated that Chattanooga State is important because of a partnership developed with TVA to ensure nuclear industry talent into the future. Director Haskew reported that TVA and Chattanooga State are collaborating to offer an engineering technology curriculum that prepares students for careers in the (utility) industry. Director Haskew then reported the Committee was briefed on TVA's enhanced focus on behavior-centered safety, a program that focuses on making sure employees observe behaviors and intervene when appropriate. Director Haskew reported that TVA's safety performance in 2012 was in the top ten percent of the industry, and that it is important to incentivize TVA

employees to set and achieve safety goals. Director Haskew then requested and received a report from Bill Johnson, President and Chief Executive Officer, regarding Minute Item No. 13-01-10.

Copies of the slides used by Mr. Johnson in his report are filed with the records of the Board as Exhibit 2/14/13D.

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13-01-10. Fiscal Year 2013 Incentive Goals

The Board adopted the following resolutions as recommended, respectively, in (i) a memorandum from the President and Chief Executive Officer, dated February 13, 2013, and filed with the records of the Board as Exhibit 2/14/13E, and (ii) a memorandum from the Executive Vice President and Chief Financial Officer, dated February 13, 2013, and filed with the records of the Board as Exhibit 2/14/13F:

WHEREAS in a memorandum dated February 13, 2013, a copy of which is filed with the records of the Board as Exhibit 2/14/13E (Memorandum), the Chief Executive Officer (CEO) recommended approval of the TVA enterprise-wide measures for Fiscal Year (FY) 2013 which contain proposed goals on which TVA's performance will be measured and awards under the Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) may be made for FY 2013; and

WHEREAS in that same memorandum, the CEO recommended that the Retail Rate, Load Not Served, and the Organizational Health measures and the goals be continued for Executive Long-Term Incentive Plan (ELTIP) performance cycles ending on and after September 30, 2015; and

WHEREAS the People and Performance Committee has reviewed the proposed TVA enterprise-wide measures and goals for the WPTIP and EAIP for FY 2013 and the continuation of ELTIP measures and goals, as described above, and recommends their approval;

BE IT RESOLVED, That the Board approves the TVA enterprise-wide measures and goals for FY 2013 (including the accompanying definition sheets) for the WPTIP and EAIP, as set forth in the Memorandum and Attachment A thereto;

RESOLVED further, That, with regard to ELTIP measures and goals for the performance cycle of FY 2013 - FY 2015, the Board approves the continuation of the Retail Rate, Load Not Served, and the Organizational Health measures and goals (including the accompanying definition sheets), as set forth in the Memorandum and Attachment B thereto;

RESOLVED further, That the Board continues to retain the discretionary authority to review the results of performance measures and goals and to approve any adjustments to payouts under the WPTIP, EAIP, and ELTIP in circumstances it considers appropriate.

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WHEREAS a memorandum from the Executive Vice President and Chief Financial Officer dated February 13, 2013 (Memorandum) (a copy of which is filed with the records of the Board as Exhibit 2/14/13F), recommends that the Board approve two revisions in the design of TVA's Executive Annual Incentive Plan (EAIP) and Winning Performance Team Incentive Plan (WPTIP) beginning in FY 2013 as set out in that Memorandum and its attachment; and

WHEREAS the revisions have been discussed with and reviewed by the Board's People and Performance Committee in conjunction with the Committee's independent compensation consultant; and

WHEREAS upon the recommendation of the People and Performance Committee, the Board has determined that the revisions will, among other things, strengthen alignment of compensation plans to TVA performance and more closely align the compensation plans with those of market competitors;

BE IT RESOLVED, That the Board approves the EAIP and WPTIP design revisions as set out in the Memorandum and its attachment effective beginning in FY 2013;

RESOLVED further, That the Board hereby authorizes the Chief Executive Officer, or designee, to take actions necessary or desirable to implement the Board-approved design revisions to include, without limitation, the revision of EAIP and WPTIP documents and related policies and procedures.

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At this point, Chairman Sansom commented that TVA's employees might wonder where the Board has been because the (fiscal) year started in October and employees should know what the corporate goals are. Chairman Sansom stated the Board recognizes that the new goals will, in effect, start something that employees have been working on for several months, and apologized to employees for the gap. However, the Board thought it best to review, analyze and change the goals, incorporating the input of the new President and Chief Executive Officer. Mr. Johnson added that the Board has instructed him to have the goals ready for the next fiscal year in a timely fashion.

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13-01-11. Report of the Audit, Risk, and Regulation Committee

Director McBride, Chairman of the Audit, Risk, and Regulation Committee, reported the Committee reviewed a report on first quarter financial results from Ernst & Young; TVA's 10-Q report prior to its filing on February 4, 2013; and, Ernst & Young's progress on preparing TVA's annual audit for the year, which Director McBride stated is proceeding very well.

Director McBride reported the Committee also received reports from the Office of the Inspector General regarding its first quarter activities, and a brief update on recent activities from TVA's Compliance Office. Director McBride stated that one of the Committee's serious missions is assessing current and emerging risk, and that the Inspector General's office has in recent years been a valuable partner in working with staff to assess and mitigate risk, especially in the area of

information technology. Director McBride stated he would make similar comments about TVA's Compliance Office, and that TVA's ability to compile and track compliance with all of the state and federal regulations that govern TVA's work has improved significantly.

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13-01-12. Proposed Committee Membership

The Board adopted the following resolution:

WHEREAS Section 2(g)(1) of the TVA Act requires that the Board create and maintain an "audit committee" and directs the Board to create such other committees of Board members as the Board considers to be appropriate; and

WHEREAS Section 2.1 of the Bylaws further provides that appointees for the membership of committees shall be submitted by the Chairman of the Board to the Board for its approval as a single slate of appointees; and

WHEREAS the Chairman hereby recommends the slate of committee members as set forth in this resolution;

BE IT RESOLVED, That the Board of Directors hereby approves the following slate of committee members, with said assignments to become effective immediately and to continue in place as provided in the Bylaws or until modified by further action of the Board:

Audit, Risk, and Regulation Committee

Neil McBride, Chair
Lynn Evans
Joe Ritch

External Relations Committee

Richard Howorth, Chair
Mike McWherter
Neil McBride

Finance, Rates, and Portfolio Committee

Pete Mahurin, Chair

Richard Howorth

Barbara Haskew

Bill Sansom

People and Performance Committee

Barbara Haskew, Chair

Pete Mahurin

Lynn Evans

Nuclear Oversight Committee

Bill Sansom, Chair

Joe Ritch

Mike McWherter

The meeting was adjourned at 11:26 a.m. EST.