Resolution of
The Board of Directors of the Tennessee Valley Authority
(Establishing the Board Practice System)

WHEREAS the Board, from time to time, may choose to adopt certain practices to govern various Board and Board Committee processes and activities or to interpret provisions of the ***Bylaws of The Tennessee Valley Authority*** in order to provide guidance to Board Members or the Chief Executive Officer in those cases where an amendment to the ***Bylaws*** to accomplish such purposes might not be necessary; and

WHEREAS the Board believes that it would be useful and appropriate to establish a system for compiling and maintaining these various practices that the Board may approve in the future;

BE IT RESOLVED, That the Board hereby establishes a ***TVA Board Practices*** system, into which all future actions by the Board in adopting such practices or providing such interpretative guidance regarding the ***Bylaws of The Tennessee Valley Authority*** shall be compiled, indexed, and maintained by the Corporate Secretary in a manner that shall assure convenient access for Board Members and for the Chief Executive Officer and TVA management.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

Board Practices

BOARD CHAIRMAN SELECTION PROCESS

CAPITAL PROJECT APPROVALS

CONSENT AGENDA

CONTINUING EDUCATION OPPORTUNITIES

ENGAGEMENT OF OUTSIDE ADVISORS

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FUELS, POWER PURCHASES OR SALES, OR RELATED CONTRACT APPROVALS

MEMBERSHIP IN EXTERNAL ORGANIZATIONS

NOTATIONAL APPROVALS

PROCUREMENT CONTRACT APPROVALS

SENSITIVE AND CONFIDENTIAL INFORMATION SECURITY AND MANAGEMENT

SETTLEMENTS OF CLAIMS AND LITIGATION

USE OF TVA PLANE

TVA Board Practice
Board Chairman Selection Process

Background
Section 2(a)(2) of the TVA Act states that the members of the Board shall select one of the members to act as chairman of the Board.

Article I, Section 1.1 of the TVA Bylaws sets forth that the Board of Directors shall select one of its members to serve as Chairman of the Board and the Chairman shall serve a term of two years unless the Board decides otherwise. It further provides that the term of the first Chairman selected under the provisions of Section 2(a)(2) of the TVA Act would expire on May 18, 2008, and that each subsequent term of a Chairman of the Board would expire on May 18 of each subsequent even-numbered calendar year, unless the Board decides otherwise.

The Bylaws also provide that a Chairman's successor shall be selected by the Board at least thirty (30) calendar days prior to the end of the term of the then current Chairman; provided, however, that if the position of Chairman should become vacant prior to the end of a term due to resignation or any other reason, the Board shall, not later than thirty (30) calendar days after the date upon which such vacancy occurs, select a new Chairman to serve out the remainder of the current term.

Guiding Principle
This selection process provides a guide by which the Board may take timely and orderly action when selecting a new Chairman of the Board. The following process also adopts a timeline that supports the selection time frame set out in the Bylaws and provides for an orderly and considered transition from one Chairman to the next.

Process
a. In November of each odd-numbered year, the chair of the committee with oversight of human resources and talent management (the "Committee") will request the individual Members of the Board to provide the committee chair with suggestions for those Directors who should be considered for selection to serve as the next Chairman. Directors can either recommend themselves or recommend a fellow Member of the Board.

b. If a member of the Committee would like to be considered as a potential nominee for Chairman, he or she shall recuse himself/herself from the selection process and will not participate as a member of the Committee for purposes of the nomination process.

c. At the first regular Board meeting (generally in February) of each even-numbered year, the Committee will nominate a potential Board Chairman candidate from among the Board's current membership to the full Board, and the full Board will consider and vote on a new Chairman. The Director so selected ("Chairman-Elect") will take office as Chairman on May 19 of that same year (or sooner if the current Chairman ceases to serve in such capacity before such date).
d. At the second regular Board meeting (generally in early May) of each even-numbered year, the Chairman-Elect will submit a slate of committee members for the full Board's consideration and vote. Committee members as approved by the Board will begin to serve on May 19 of that year. After approval of committee membership, the Chairman-Elect will select one member of each committee to serve as chair of that committee beginning May19.

As recognized in the Bylaws, the Board reserves the authority to act at variance from this Practice as it determines appropriate, including, but not limited to, the option for any individual Board member to nominate a Board Chairman candidate at a regular meeting.

Approved by the Board of Directors of the Tennessee Valley Authority
November 14, 2013

TVA Board Practice
Capital Projects Approvals

Background
Section 3.2(i) of the ***Bylaws of The Tennessee Valley Authority*** provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that a routine part of maintaining continuity and/or reliability of ongoing operations involves undertaking capital projects. By adopting this ***TVA Board Practice***, the Board is providing more definitive guidance to the CEO as to what capital projects the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the ***Bylaws***. It is intended by the Board to enable the CEO to assume authority to approve capital projects up to a specified dollar amount.

Guidance
• The CEO may approve a capital project that has been specified by line-item in a Board-approved budget, provided that capital projects in amounts greater than $100 million will be presented for review to the committee with oversight responsibility for the budget.

• The CEO may assume the authority to approve any capital project not specified by line-item in a Board-approved budget provided the project amount does not exceed $50 million.

Notwithstanding the foregoing, the CEO may determine that a capital project should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

Approved by the Board of Directors of the Tennessee Valley Authority
January 25, 2007

Amended first bullet to reflect committee with specific responsibility rather than formal committee name- November 17, 2011, Board meeting

TVA Board Practice
Consent Agenda

Background
The TVA Board desires for each Board meeting to be an efficient and orderly use of time for the Directors, management, and members of the general public. The Board recognizes that a number of standard, non-controversial, and self-explanatory items ("routine") come before the Board for approval from time to time. The Board desires to implement a process which will enable such routine business to be addressed at Board meetings in a consolidated and expeditious manner.

Guidance
The agenda for any meeting of the TVA Board of Directors may include a section entitled "Consent Agenda." The objective of utilizing a Consent Agenda is to expedite routine business items and enable a more extensive and detailed consideration by the Board of non-routine public matters.

The Consent Agenda shall consist of items of business which the Chairman of the Board, in consultation with the Chief Executive Officer, has determined to be routine in nature. Among other routine items, the Consent Agenda may contain approvals of minutes; minor changes in procedure; confirmation of conventional actions that are required by the Bylaws; and editorial, title changes or minor corrections in documents that require Board approval.

A Consent Agenda may typically be presented by the Chairman near the beginning of a Board meeting. Prior to considering any Consent Agenda, the Chairman will entertain any request by a Member of the Board to sever any item(s) from that Consent Agenda. Upon such a request, the item shall be removed from the Consent Agenda for separate consideration. Items not removed may be adopted by general consent without debate or discussion.

At the discretion of the Chairman, removed items will be placed later on the agenda for separate consideration or will be rescheduled for Board consideration at another time. The Board shall act on a Consent Agenda upon a single motion for approval supported by a vote in the affirmative by a majority of the Board Members present and voting. The vote to approve the Consent Agenda constitutes the approval and adoption of each item within the Consent Agenda just as if it had been acted upon individually by the Board.

The items to be included in a Consent Agenda will be included in the public notices provided by TVA of Board meetings and associated agendas, including notices required to be published in the *Federal Register* and posted on the TVA website.

Approved by the Board of Directors of the Tennessee Valley Authority
November 17, 2011

TVA Board Practice

Continuing Education Opportunities for TVA Board Directors

Background

The Board acknowledges that many modern corporate boards actively encourage continuing education programs for their directors which cover current and emerging corporate governance issues and develop and enhance important business, financial, oversight, and regulatory perspectives.

The Board believes that making such continuing education opportunities available to its Members is important in helping assure the Board's future success as an informed and effective governance body.

By adopting this ***TVA Board Practice***, the Board formally encourages its Members to take advantage of continuing education opportunities related to their roles and responsibilities on the Board and Board Committees.

Guidance

• All TVA Board Directors are encouraged to attend and participate, at least once annually, in continuing education opportunities which will enhance their abilities to perform their duties as Directors and which recognize and address issues that may arise during their tenure as 8Directors, including ongoing corporate governance and other education programs and opportunities directly related to their service on the TVA Board and Board Committees.

• Those continuing education opportunities, accepted by the committee with oversight over human resources and talent management, as meeting the aforementioned criteria will be provided to Directors at TVA's expense.

Approved by the Board of Directors of the Tennessee Valley Authority
February 15, 2008

Amended first bullet to reflect committee with specific responsibility rather than formal committee name- November 17, 2011, Board meeting

TVA Board Practice
Engagement of Outside Advisors

The Board recognizes that Board Committees will, from time to time, need to engage outside advisors in order to fulfill their responsibilities. The expense of such advisors would be borne by TVA. With the exception of the independent authority of the audit committee, which may engage outside advisors without such restrictions in keeping with the independence of corporate audit committees generally, the Board directs that the engagement of outside advisors should be made in accordance with the following guidelines and cost parameters:

• The Chair of a Board Committee is authorized to execute any individual outside advisor contract of up to $200,000 annually with the approval of the Chairman of the Board and timely notification to all of the Board membership.

• The Chair of a Board Committee is authorized to execute any individual outside advisor contract in excess of $200,000 but less than $500,000 annually with the approval of the Chairman of the Board and with advance notification to all of the Board membership.

• The Chair of a Board Committee is authorized to execute any individual outside advisor contract in excess of $500,000 annually upon approval of the full Board of Directors.

This TVA Practice supercedes the TVA Board Practice for Engagement of Outside Advisors approved by the Board on November 30, 2006.

Approved by the Board of Directors of the Tennessee Valley Authority
June 10, 2010

TVA Board Practice
External Inquiries

A. Background

The Board can be contacted on a variety of topics by external stakeholders. TVA is a public entity and, as such, wishes to respond to inquiries quickly and openly wherever possible. Regular practice is to direct such inquiries to management (preferably through Board Services) for handling in accordance with standard business procedures. The contact may be made by correspondence, an electronic communication, or a personal conversation. The Board believes the TVA decision-making process needs to be fair, transparent, and even-handed, and certain requests from influential people asking for something of private benefit should be subject to heightened transparency as explained in Section C below.

B. Risk

Influential people may use access to a member of the Board of Directors to seek special treatment, access, or attention for personal or private gain through the Board's exercise of its statutory authority to establish TVA's goals and objectives. This risk is generally mitigated by the fact that, with very limited exceptions, the Board does not engage in any direct executive activity. The Board must, nevertheless, remain aware that the exercise of its duties is a public trust and that some types of contacts could potentially call into question the impartiality of TVA's activities and policies.

C. External Inquiries from "Covered Persons" for Private Benefit

Directors are encouraged to route any inquiry from an external party to Board Services for record-keeping purposes. If a Director receives a specific request for a "Thing of Value" from a "Covered Person," both as defined below, the request should be reported to Board Services for further documentation. Board Services will inform the Ethics staff and the OIG of any such request.

Board Services will also inform the Ethics staff and the OIG of any specific request that may not fall within these definitions if a Board Member requests the matter be treated under this practice. A Board Member may choose to treat the matter under this practice if he or she believes that a request may potentially compromise the impartiality of a decision, either in fact or in appearance.

For as long as each request is active, the Ethics staff shall be given access to all written correspondence to and from the "Covered Person" (as such term is defined below) regarding such request. Upon request, the OIG will also receive a copy of all correspondence related to such request.

Covered Persons

A "Covered Person" is any of the following individuals seeking or requesting official action from TVA for his or her **personal benefit**:

- An elected government official or a candidate to an elected government office (whether federal, state, or local);
- A senior management level employee of an entity that regulates TVA or its activities;
- A senior management level employee of a power customer of TVA;
- A current TVA officer (Vice President or above) or Board Director or a former TVA officer or Board Director for one year after such person's last date of service with TVA;
- A current member of a TVA council created pursuant to the Federal Advisory Committee Act ("FACA"), such as the Regional Resource Stewardship Council ("RRSC") or Regional Energy Resource Council ("RERC"); or
- The spouse or dependent child of any of the above individuals.

When a corporation or other non-government entity is asking for a Thing of Value, the entity will be considered a Covered Person if:

- A person dealing with TVA on behalf of the entity would be a Covered Person as described above; or
- A person known to have a significant financial interest in the entity would be considered a Covered Person if such person were making the request directly.

Things of Value

A "Thing of Value" for the purposes of this Board Practice is:

- Any interest in real property held by TVA in the name of the United States;
- Any request for a Section 26a permit;
- Any of the following with a monetary value greater than $25,000;
    - A sole-source contract
    - A donation
    - Any surplus or excess property
- Any non-routine financing transaction (to include but not limited to loans, purchases or sales of real or personal property, whether by or from TVA) in excess of $5 million.

The notification procedures in this Board Practice do not apply to requests made by government entities (e.g., Tennessee Department of Transportation or City of Knoxville) or in the normal course of an elected official's duties, such as constituent referrals or actions or requests made explicitly on behalf of a government entity.

Other Provisions

In recognition that the Board's review of individual requests has the potential to create the appearance of partiality, specific information under this Board Practice will be provided to the Board only upon request. The Audit, Risk, and Regulation Committee will review the overall Board Practice and related TVA programs on an annual basis and summary information designed to limit this risk will be provided to the Committee.

In the absence of clear and direct knowledge of someone being a "Covered Person" or such knowledge of the Covered Person's associations, a Director is not obligated to notify the Ethics staff, the OIG or Board Services. A Director is not expected to research someone's "Covered Person" status or any relation to a Covered Person in the absence of such knowledge. Covered Persons contacting the Board do not need to be asked to complete any additional documents or otherwise provide information that is not voluntarily offered.

Approved by the Board of Directors of the Tennessee Valley Authority
August 23, 2017

TVA Board Practice

Standard Format for Approval of Delegations of Authority

Background

Section 3.2 of the Bylaws of the Tennessee Valley Authority provides, among other things, that the principal responsibilities of TVA's Chief Executive Officer (CEO) are to achieve the broad strategies, goals, objectives, long-range plans, and policies established by the Board and to ensure the continuity and reliability of TVA's operations.

Section 3.2 further specifies that the CEO has all powers, authorities, and duties "necessary or appropriate to carry out those principal responsibilities, including but not limited to those to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

Notwithstanding the above, from time to time the Board and/or the CEO may desire that more specific guidance be provided as to where approval authority for a particular matter or type of action resides. Typically, such guidance is provided through the Board's approval of a delegation of authority to the CEO or other TVA executive that is contingent upon certain thresholds or criteria being met.

Given the importance of promoting consistency, clarity, transparency, and oversight in this governance area, the Board believes it is desirable to establish a common format to be used whenever the Board considers a proposed delegation of approval authority.

General Guidance

All recommendations presented to the Board which propose a delegation of authority to approve any actions within the same general category over time shall, at a minimum, provide supporting information in each of the following categories:

1. Coverage -- A complete description of the category of actions for which the delegation of approval authority is requested.

2. Justification -- The rationale for why it is necessary or appropriate for Management, rather than the Board, to exercise the approval authority specified in the recommendation.

3. Management Approval Designation -- The identification of which Executive Management position(s) would be delegated the proposed approval authority.

4. Parameters and Thresholds -- To the extent that the recommended delegation of approval authority is to be limited by any specific parameters and/or thresholds, those shall be specifically stated and the rationale for their selection shall be set forth.

5. Oversight Reports -- For each delegation of approval authority, periodic performance reports which appropriately summarize actions taken by Management utilizing the delegation in question shall be required to be provided to one or more designated Board Committee(s) to

facilitate Board oversight. The frequency and required content of such reports shall be specified, but the frequency may not be less than once annually.

Specific Guidance
With respect to any individual project or discrete program or activity that has been approved by the Board, unless the Board expressly provides otherwise in that approval, the CEO may be assumed to have all necessary delegations of approval authority to implement said project, program, or activity as long as such implementation is within the parameters of the approved budget for such implementation actions and within the scope and description of the project, program, or activity approved by the Board. Implementation of any delegation is subject to satisfactory completion of required environmental reviews.

In any such case, a periodic performance report on implementation shall be provided by Management to the Board committee(s) which originally recommended the project, program, or activity to the Board. Such performance reports shall be provided on a semi-annual basis, unless a different frequency is expressly established by the Board.

Approved by the Board of Directors of the Tennessee Valley Authority
August 20, 2008

TVA Board Practice

Fuels, Power Purchases or Sales, or Related Contract Approvals

Background

Section 3.2(i) of the Bylaws of The Tennessee Valley Authority provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that a routine part of maintaining continuity and/or reliability of ongoing operations involves committing TVA to contracts under which TVA acquires or disposes of (i) fuels, (ii) catalysts, limestone, and other reagents necessary for operation of clean air facilities, and (iii) related transportation, processing, storage, and services; purchases wholesale power or sells wholesale power to surrounding electric systems with which TVA has had exchange power arrangements consistent with the provisions of the TVA Act; and purchase or sells transmission services associated with purchases or sales of power (collectively, "Fuels, Power Purchases or Sales, or Related Contracts").

By adopting this TVA Board Practice, the Board is providing more definitive guidance to the CEO as to what Fuels, Power Purchases or Sales, or Related Contracts the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the Bylaws. It is intended by the Board to provide for Committee and Board review of TVA's annual plan for such contracts as part of the budget review and approval process, and to enable the CEO to assume authority to approve a Fuels, Power Purchases or Sales, or Related Contract that meets certain criteria.

Guidance

• TVA's contracting plan for Fuels, Power Purchases or Sales, and Related Contracts, which will include a review of independent market and financial analyses, will be presented for review to the board committee with responsibility for oversight of the budget ("Committee") during the annual budget cycle process. Upon agreement of the Committee, the contracting plan will be reflected in the Board budget review and approval process. Contracting activity undertaken pursuant to the contracting plan or this Board Practice will be reported to the Committee on a periodic basis.

• The CEO may approve any Fuels, Power Purchases or Sales, or Related Contract in any amount provided the contract term is for a base period of seven years or less, with any re-opener or option periods limited to a total of seven years or less, and the contract is substantially in conformance with the plan reflected in the budget review and approval process.

• The CEO may approve any Fuels, Power Purchases or Sales, or Related Contract with a base term greater than seven years, with re-opener or option periods greater than a total of seven years, or that is not substantially in conformance with the plan reflected in the budget review and approval process, provided the contract amount does not exceed $50 million.

Notwithstanding the foregoing, the CEO may determine that a Fuels, Power Purchases or Sales, or Related Contract, as described above, should be submitted to the Board for its

consideration and approval on the grounds that new, special, or novel considerations are involved.

This TVA Board Practice supersedes the TVA Board Practice for Approval of Fuels, Power Purchases or Sales, or Related Contracts approved by the TVA Board on January 25, 2007.

Approved by the Board of Directors of the Tennessee Valley Authority
August 1, 2007

Amended to extend the criteria for Board approval for contracts from 3 to 7 year terms and reopener or option periods of 7 years or less- August 1, 2007, Board meeting.

Amended first bullet to reflect committee with specific responsibility rather than formal committee name and to require review of committee which holds both operational portfolio and finance responsibilities- November 17, 2011, Board meeting

TVA Board Practice
TVA Membership in External Organizations

Background

The Board acknowledges that TVA maintains corporate membership in a diverse array of external organizations. These organizations typically have specialized expertise in a particular area, provide unique services, and bolster TVA's ability to carry out projects or activities, or otherwise advance the TVA mission in some appropriate manner.

The Board believes that membership and participation in such external entities can assist TVA in the pursuit of its goals and that paying dues, membership fees, or other financial contributions to these organizations is an appropriate use of resources. The Board also recognizes that such financial contributions must not be used for purposes inconsistent with TVA's statutory mission or legal obligations.

By adopting this ***TVA Board Practice***, the Board is providing more definitive guidance to the CEO as to limitations that should be applicable to TVA's participation in external organizations.

Guidance

TVA may generally participate in any external organization that it determines can assist TVA in the advancement of its statutory or corporate mission through the payment of dues, membership fees, or other participatory contributions. These organizations will not lobby on behalf of TVA or represent TVA in litigation without specific authorization to do so.

To the extent possible, TVA shall require language in any membership agreement limiting the ability of an external organization to use TVA resources for a purpose inconsistent with TVA's authorizing legislation; such prohibited activities shall include lobbying efforts and litigation without specific authorization.

Approved by the Board of Directors of the Tennessee Valley Authority
November 10, 2016

TVA Board Practice
Notational Approvals

Background

Section 1.7 of the ***Bylaws of The Tennessee Valley Authority*** provides that the TVA Board may take action by a majority vote of all Members, at times other than during a Board meeting, by notational approval by individual Board Members, subject to the following requirements:

• Personal notice of the notational item is provided to individual Board Members by electronic mail or as otherwise specified by individual Board Members;

• Board Members have at least seven calendar days within which to submit their individual votes, unless the Board Chairman specifies an earlier deadline (but in no event fewer than three calendar days).

By adopting this ***TVA Board Practice***, the TVA Board wishes to set forth supplemental policies, processes, and criteria to govern the notational approval process and to guide and direct management, Board Committees, and individual Board Members as to how requests for notational approvals are to be handled.

Guiding Principle

The notational approval process is to provide a means by which the Board may take timely and appropriate action on matters between Board meetings. This notational approval process must be carried out in a way that is fully consistent with the Board's responsibility to exercise careful and prudent oversight and their ability to lead TVA with integrity and open and transparent accountability.

Criteria for Notational Approvals

To be eligible for notational consideration by Board Members, a proposed action item must meet one or more of the following Criteria. The Board Approval Memorandum which transmits any action item for notational approval must designate one or more of these Criteria as being applicable and must provide appropriate supporting information to inform the Board as to the basis for such applicability.

1. Time Sensitive

a. Deadline -- *Example*: An externally-established deadline for TVA action will expire before the date of the next scheduled Board meeting, with no reasonable opportunity for obtaining an extension.

b. "Fleeting Opportunity" -- *Example*: An uncertain amount of time exists during which TVA will have a chance to take advantage of an opportunity before it is seized by another or otherwise will cease to exist.

c. Negative Cost/Value Trend -- *Example*: The passage of time will likely cause TVA's costs under the action item to increase or the value to TVA of approving the action item to decrease.

2. Confidential

a. Individual Privacy -- *Example*: Action item includes personal information about one or more individuals, which either is protected under the Privacy Act, is otherwise exempt from disclosure under the Freedom of Information Act (FOIA), or is otherwise considered sensitive.

b. Other's Proprietary/Confidential Information -- *Example*: Action item includes information that is proprietary/confidential information of a party other than TVA which is either prohibited from disclosure under the Trade Secrets Act or exempt from disclosure under FOIA. This Criteria also would apply to TVA's annual budget submissions to the Administration, because public disclosure of the contents of such submissions is routinely prohibited by order of the President until the President's Budget is submitted to Congress, as well as being exempt from disclosure under FOIA.

c. TVA's Proprietary/Confidential Information -- *Example*: Action item includes information that TVA considers to be "business sensitive" or to be proprietary/confidential and which would be otherwise exempt from disclosure under FOIA.

3. Not of Material Public Interest
Example: Action item involves subject matter which can be reasonably considered to not be of material interest to members of the public, and consideration and approval of such action item would not be an efficient use of Board time during meetings. This will often be an approval item that is considered routine and noncontroversial, but for some reason (e.g., statutory) requires action by the Board.

Personal Notice to Individual Board Members
The Chief Executive Officer, in consultation with the appropriate Committee Chair when applicable, will assure that a process is in place under which all Board Members, to the extent feasible, will be personally notified by nonelectronic or other effective means when any action item which is potentially significant or controversial is being provided to them individually for notational approval.

Pre-voting Review Period
For each action item being proposed for notational approval by the Board, the Chair of the Committee proposing the approval, or the Chairman of the Board in the absence of a Committee recommendation, shall specify the number of calendar days during which individual Board Members will have the opportunity to review the proposed action item and make inquiries and/or comments in advance of the date on which notational voting will commence.

In the absence of such a specification, the date on which voting shall commence on a notational approval action item shall be three calendar days after the day on which information on that action item is provided to the individual Board Members.

Openness and Transparency
In a manner consistent with the requirements of applicable Federal law, the Chief Executive Officer shall assure that disclosure to the public is made of those action items that have been notationally approved by the Board in at least the following two ways:

1. Board Meeting Agendas -- Each action item notationally approved by the Board between Board meetings shall be disclosed and appropriately identified as an "Information Item" on the agenda for the upcoming Board meeting, which is required by the Government in the Sunshine Act to be published in the *Federal Register* at least one week in advance of the meeting.

The Chief Executive Officer, in consultation with the appropriate Committee Chair when applicable, shall further assure that TVA is prepared to respond, in a manner consistent with the limitations of applicable Federal law, to public inquiries about any notational approval item that appears as an "Information Item" on the agenda for a Board meeting.

2. Board Meeting Minutes -- Each action item notationally approved by the Board between Board meetings shall be disclosed and appropriately identified in the Minutes of the next public Board meeting, which Minutes shall be publicly available.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

TVA Board Practice
Procurement Contract Approvals

Background
Section 3.2(i) of the ***Bylaws of The Tennessee Valley Authority*** provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that a routine part of carrying out approved projects and activities and maintaining continuity and/or reliability of ongoing operations involves committing TVA to contracts under which TVA purchases or sells products or services (Procurement Contracts). For the purposes of this ***TVA Board Practice***, Procurement Contracts do not include contracts for fuel-related transactions or contracts for the purchase or sale of electric power.

The Board further acknowledges that, in the absence of guidance from the Board, many Procurement Contracts into which TVA enters could reasonably be considered to fall within the scope of the CEO's authorities under Section 3.2(i) of the ***Bylaws***, regardless of the dollar amount to which the particular Procurement Contract would commit TVA or the length of its term.

By adopting this ***TVA Board Practice***, the Board is providing more definitive guidance to the CEO as to what Procurement Contracts the Board generally considers to be within the CEO's approval authority under Section 3.2(i) of the ***Bylaws***. It is intended by the Board to enable the CEO to assume authority to approve a Procurement Contract that commits TVA up to a specified dollar amount or for a term of up to a specified number of years.

Guidance
The CEO may approve any Procurement Contract which falls within the following parameters, as applicable:

• The contract amount does not exceed $100 million and its term does not exceed 5 years.

• The contract amount does not exceed $25 million and its term exceeds 5 years.

Notwithstanding the foregoing, the CEO may determine that a Procurement Contract, as described above, should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

TVA Board Practice

Sensitive and Confidential Information Security and Management

Background

The Federal Records Act, 44 U.S.C. Chapter 31, requires that all federal agencies, including TVA, "preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency." 44 U.S.C. § 3101. In conjunction with the Federal Records Act, the Freedom of Information Act (FOIA), 5 U.S.C. § 552, provides that outside people may request full or partial disclosure of government records except for certain categories of sensitive or confidential records which may be exempt from disclosure.

By adopting this ***TVA Board Practice***, the TVA Board wishes to set forth supplemental policies, processes, and criteria to govern the retention and protection of records and communications involving the TVA Board and to guide and direct Management, Board Committees, and individual Board Members as to how to properly manage such information.

Guiding Principle

TVA and the Board seek to be open and transparent to the public, including through the FOIA process, to the maximum extent possible. However, from time to time the Board is required to discuss and consider sensitive and confidential information that must be retained pursuant to the Federal Records Act, but that may also be protected under TVA policy or be exempt from release under FOIA. Thus, TVA efforts to properly retain the communications and records of the TVA Board must be conducted in a manner that also protects sensitive and confidential information.

Definition of Sensitive and Confidential Information

FOIA (at 5 U.S.C. § 552(b)) provides nine (9) exemptions from its general requirement that government records be available for release to the public for certain types of sensitive and confidential communications and records. Among these exceptions are:

1. Personal, private information about individuals, including both employees and members of the public;

2. Confidential business information, trade secrets, contractor bid or proposal information, and source selection information;

3. Law enforcement information;

4. Potential security vulnerabilities;

5. Privileged attorney-client communications and attorney work product; and

6. Communications, including emails, that form part of the internal deliberative processes of TVA and/or other agencies of the U.S. Government.

For purposes of this Board Practice, "sensitive and confidential information" includes written and electronic documents and communications that appear to be protected from disclosure under FOIA or any other law of the United States. This definition includes all items that have been

marked as TVA Confidential, TVA Restricted, or TVA Sensitive as well as un-marked items that could reasonably be seen as being sensitive or confidential.

Written Sensitive and Confidential Information
Individual Board members will protect sensitive and confidential information that is written or is otherwise physically tangible (such as videotape, photographs, etc.) from disclosure either during or after service as a Director of TVA.

Electronic Sensitive and Confidential Information
Sensitive and confidential information that is in an electronic format, including emails and text messages, will also be protected in the same manner as written information. Due to the unique nature of electronic communications, these processes will also be followed:

1. Electronic materials that contain sensitive and confidential information (as well as electronic communications, such as emails, attaching these) will be transferred to, from, and/or between members of the TVA Board by way of secure portal or encrypted email;

2. Electronic communications to, from, and/or between members of the TVA Board discussing or related to sensitive and confidential information (whether other documents are attached or not) will be sent by through a secure portal, an official TVA email system or through personal email accounts that meet security requirements provided by TVA information technology security officials;

3. TVA Board members may use unencrypted personal email and text messaging accounts for routine non-sensitive/non-confidential communications;

4. To avoid conflicts with other disclosure laws, TVA Board members will not utilize email addresses that may be subject to disclosure requirements broader than federal law, such as some state and local government entities, for any TVA business;

4. As required by 44 U.S.C. § 2911, any email or text message sent to, from, and/or between a personal email or text messaging account of a TVA Board member that relates to official TVA business (whether sensitive and confidential or routine) will be copied to the Board Member's official TVA email account address at the time the email or message is initially sent, or will be forwarded to that email account address as soon as reasonably practicable.

Training
Members of the TVA Board and all non-TVA employees who have access to confidential information on a Director's behalf will receive information, at least annually, on the requirements of this Policy.

Approved by the Board of Directors of the Tennessee Valley Authority
February 11, 2016

TVA Board Practice

Approvals of Settlements of Claims and Litigation

Background

Section 3.2(i) of the Bylaws of The Tennessee Valley Authority provides, among other things, that TVA's Chief Executive Officer (CEO) has all authorities and duties "necessary or appropriate to carry out projects and activities approved by the Board of Directors or to maintain continuity and/or reliability of ongoing operations."

The Board acknowledges that claims and litigation are routinely brought by or against large corporations like TVA (or against its employees acting in their official capacities) as part of day-to-day operations and that it is often the most cost-effective alternative to settle disputed claims and litigation to limit exposure or in lieu of engaging in protracted and expensive litigation in the court system.

In 2003, the Board delegated authority to TVA's General Counsel to settle or authorize the settlement of claims and litigation by and against TVA and against TVA employees involving payment of $200,000 or less on disputed amounts, excluding condemnation cases. The Board acknowledges that the settlement of condemnation cases is governed by a long-standing, separate specific delegation to the General Counsel, subject to the concurrence of Realty Services. However, no guidance has previously been provided by the Board regarding the extent of the CEO's authority, under section 3.2(i) of the Bylaws, to settle such claims and litigation on behalf of TVA.

By adopting this ***TVA Board Practice***, the Board is providing more definitive guidance to the CEO as what types of disputed claims and litigation the Board generally considers to be within the scope of the CEO's settlement approval authority under the Bylaws, with the exception of condemnation cases for the reason noted above.

Guidance

- The CEO may approve the settlement of any disputed claim or litigation by or against TVA or against TVA employees involving the payment of $1,000,000 or less on disputed amounts, except condemnation cases.

- The committee with risk oversight shall be informed of any such settlement approved by the CEO which involves a payment in excess of $200,000 on disputed amounts.

- Notwithstanding the foregoing, the CEO may determine that a proposed settlement of a disputed claim or litigation by or against TVA or TVA employees should be submitted to the Board for its consideration and approval on the grounds that new, special, or novel considerations are involved.

- The General Counsel shall prepare periodic, comprehensive reports on the status of all pending claims and litigation involving TVA and provide such reports to the committee with risk oversight.

Approved by the Board of Directors of the Tennessee Valley Authority
February 15, 2008

Amended second and fourth bullets to reflect committee with specific responsibility rather than formal committee name- November 17, 2011, Board meeting

TVA Board Practice
Use of TVA Aircraft

Background

This practice sets forth general guidelines for use of TVA aircraft by members of the TVA Board of Directors (Board), executives, and employees. For purposes of this Board Practice, "TVA aircraft" shall mean aircraft owned, leased or otherwise chartered by TVA for use by TVA Directors, executives, or employees.

Any material exceptions to this policy should be approved (in advance when practicable) by agreement between the Chair of the Board and the Chief Executive Officer (CEO).

General Guidance

1. TVA aircraft are to be used only for official TVA business purposes.
2. The Board authorizes individual Directors, the CEO, senior executives who report directly to the CEO, and their direct reports to conduct travel for business purposes on all TVA aircraft between their official duty locations or a nearer location and temporary duty locations. These individuals can authorize other TVA personnel to use the aircraft as specified in written TVA policies.
3. Business justifications for use of aircraft must be documented and maintained by TVA for a reasonable period of time.
4. The Board recognizes that the use of TVA aircraft for travel may be required because of a need to communicate in a secure setting while traveling, or to satisfy scheduling requirements dictated by short-notice travel, multiple destinations, or limited available time, which makes commercial transportation unacceptable.
5. The CEO or an executive designated by the CEO (CEO designee) shall ensure processes and procedures are in place to govern the use of TVA aircraft for travel and other purposes.

Board Guidance

6. It is the responsibility of TVA to make transportation arrangements for Directors to travel to Board and Board Committee meetings and official meetings and functions from their official duty station, typically a Director's primary residence. Accordingly, transportation of Directors to attend such meetings and functions is an appropriate use of the TVA plane.
7. As appropriate, the Director, the CEO or the CEO designee will determine the destinations and departure/arrival times for use of the TVA aircraft.
8. A Director, in consultation with the CEO or the CEO designee, may request the use of the TVA plane for one or more "non-TVA employee" passengers so long as such travel is in connection with official TVA business and determined to be in the best interest of TVA.
9. A majority of Directors in office may not travel on the same aircraft without a waiver approved by a majority of the Board.
10. The use of automobile travel or commercial flights on TVA business is acceptable and Directors will be reimbursed for the cost of these options pursuant to TVA policies.
11. From time to time, the Chair of the Board may provide additional guidance on aircraft usage.

Approved by the Board of Directors of the Tennessee Valley Authority
November 30, 2006

Amended to include authorization, documentation, and process references- February 14, 2019, Board meeting