

TVA in Kentucky



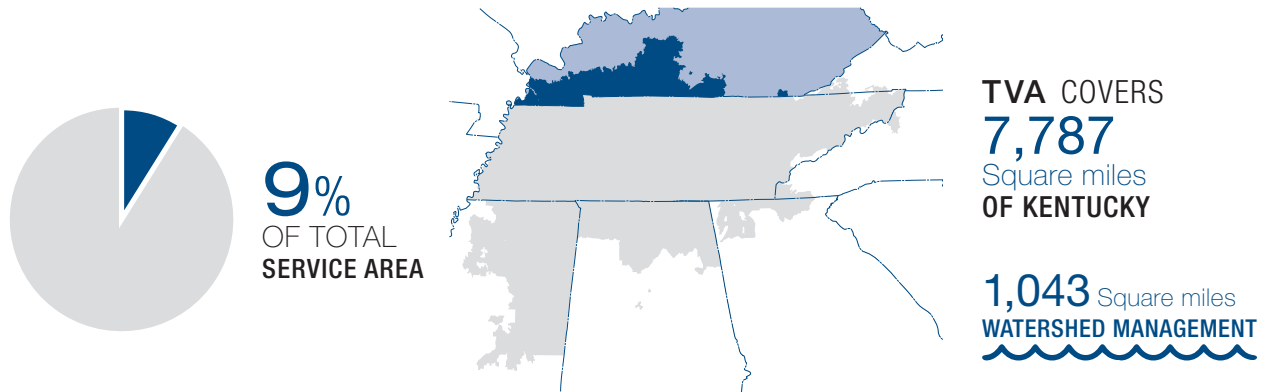
FISCAL YEAR 2018 (OCTOBER 2017 – SEPTEMBER 2018)

Energy Sales

| SOLD | PROVIDED | SERVED | HOME TO | REVENUE |
|---|--|---|--|--|
| 7.7 billion kilowatt-hours OF ELECTRICITY TO 10 municipals & 5 co-ops | 3.09 billion kilowatt-hours OF ELECTRICITY TO 209,000 HOUSE HOLDS through the LPCs | 4 billion kilowatt-hours OF ELECTRICITY TO 46,000 Commercial & Industrial Customers* through the LPCs | 17 DIRECTLY SERVED Customers PURCHASING 3.3 BILLION kilowatt-hours OF ELECTRICITY | \$696 million Power Revenue IN KENTUCKY 2018 6.2% of TVA TOTAL operating revenue |

*100 million kilowatt-hours to outdoor lighting customers.
 LPC = local power company

Service Area



Local power companies who distribute TVA power serve all or a portion of the following counties in south central and western Kentucky: Adair, Allen, Barren, Butler, Caldwell, Calloway, Carlisle, Christian, Clinton, Cumberland, Edmonson, Fulton, Graves, Grayson, Hickman, Livingston, Logan, Lyon, Marshall, Metcalfe, Monroe, Muhlenberg, Ohio, Simpson, Todd, Trigg, Warren and Whitley.

Power Generation and Transmission

- In Kentucky, TVA operates one hydroelectric dam (Kentucky Dam), eight combustion turbines (in Marshall County), two coal-fired power plants (Shawnee and Paradise) and a combined cycle-plant gas (Paradise) with a combined capacity of more than 4,100 megawatts.
- TVA operates one solar facility in Kentucky: a 41-kilowatt site at Lovers Lane soccer complex in Bowling Green.

54 substations &
switchyards
MILES OF
transmission
LINE **1,043**

Land and Water Stewardship

- Kentucky Reservoir has a surface area of 160,300 acres and about 2,000 miles of shoreline.
- TVA manages recreational, natural and cultural resources on more than 60,000 acres of public land around Kentucky reservoir and partners with local, state, and regional stakeholders to improve water quality and aquatic biodiversity, shoreline conditions, recreation, wildlife, and habitats on lands, reservoir, and its tributaries.
- The TVA visitor center at Kentucky Dam hosted 28,915 visitors during fiscal year 2018.

2,000 miles of
SHORELINE



60,000
ACRES of PUBLIC LAND

River Management

- TVA maintains the structural, seismic and hydraulic integrity of Kentucky Dam, which at 8,422 feet is the longest dam on the Tennessee River.
- TVA operates Kentucky Dam and Reservoir as part of an integrated multi-purpose reservoir system to provide numerous stakeholders a variety of benefits that include navigation, flood risk reduction, low-cost hydropower, water supply, water quality, and recreational opportunities.
- TVA owns Kentucky Lock, serving 35 ports and terminals. Approximately 28 million tons of cargo move through the facilities in fiscal year 2018.
- Kentucky Dam and Reservoir are operated to reduce crests on the lower Ohio and Mississippi rivers.
- Five industries, one mining company, and one municipality in Kentucky draw water from Kentucky Reservoir. Water also is drawn for irrigation.

Other TVA Operations

| | |
|-------------------------------------|-------------|
| Kentucky households achieved | 1473 |
| 1.36 million | eSCORE |
| kilowatt-hours | 216 |
| OF ENERGY EFFICIENCY SAVINGS | SELF-AUDITS |

80 new homes were built and 70 new homes were incentivized to install Smart Electric Technologies.

Tax Equivalent Payments

| |
|------------------------------|
| \$36 million |
| PAID IN LIEU OF TAXES |

Personnel

| | |
|----------------------|---------------------|
| 535 | 1,460 |
| TVA EMPLOYEES | TVA RETIREES |

Economic Impact

| | |
|--|--------------------|
| 7,000 | \$1 billion |
| JOBS <small>created or retained</small> | INVESTED |

TVA Suppliers

| | | |
|---|------------------------------------|----------------------------------|
| SUPPLIES PURCHASED FROM KENTUCKY VENDORS | \$203.6 million | \$582.5 million |
| | fossil fuels & associated services | non-fuels materials and services |