TVA in North Carolina

FISCAL YEAR 2018 (OCTOBER 2017 – SEPTEMBER 2018)

Energy Sales

<table>
<thead>
<tr>
<th>SOLD</th>
<th>PROVIDED</th>
<th>SERVED</th>
<th>REVENUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>910 million</td>
<td>382 million</td>
<td>294 million</td>
<td>$66 million</td>
</tr>
<tr>
<td>kilowatt-hours</td>
<td>kilowatt-hours</td>
<td>kilowatt-hours</td>
<td>Power Revenue</td>
</tr>
<tr>
<td>OF ELECTRICITY TO</td>
<td>OF ELECTRICITY TO</td>
<td>OF ELECTRICITY TO</td>
<td>IN THE STATE OF</td>
</tr>
<tr>
<td>1 municipal</td>
<td>34,000</td>
<td>9,000</td>
<td>North Carolina</td>
</tr>
<tr>
<td>&amp; 3 co-ops</td>
<td>HOUSE HOLD</td>
<td>Commercial &amp; Industrial</td>
<td>IN 2018</td>
</tr>
</tbody>
</table>

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

Service Area

TVA serves the North Carolina counties of Avery, Burke, Cherokee, Clay, McDowell, and Watauga.

Power Generation and Transmission

- TVA owns and operates four hydroelectric dams in North Carolina with a combined generating capacity of 572 megawatts. The dams are Apalachia and Hiwassee in Cherokee County; Chatuge in Clay County; and Fontana in Swain and Graham counties.

Land and Water Stewardship

- TVA manages four reservoirs in western North Carolina—Apalachia, Fontana, Hiwassee and a portion of Chatuge. These reservoirs have a combined surface area of nearly 21,000 acres and about 530 miles of shoreline in North Carolina.
• North Carolina residents enjoy camping, fishing, boating, swimming and other recreational opportunities provided by TVA reservoirs, as well as economic benefits of recreation and tourism. TVA maintains four day-use areas on our reservoirs and 13 stream access sites.

• TVA manages recreational, natural, and cultural resources on more than 1,500 acres of public land around its reservoirs in North Carolina and partners with communities and local, state, and regional stakeholders to improve water quality and aquatic biodiversity, shoreline conditions, recreation, wildlife, and habitats on lands, reservoirs, and their tributaries.

• The TVA visitor center at Fontana Dam hosted 53,934 visitors in 2018.

River Management

• TVA maintains the structural, seismic and hydraulic integrity of four dams in North Carolina: Apalachia, Chatuge, Fontana, and Hiwassee.

• TVA operates its dams and reservoirs in North Carolina 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 and recreational opportunities.

• Twenty-three municipalities, 13 industries and 17 mining companies in North Carolina draw water from the Tennessee River system. Water also is drawn for power plant cooling and irrigation.

Other TVA Operations

North Carolina households achieved 213,160 kilowatt-hours of energy efficiency savings. Three new homes were built and 11 new homes were incentivized to install Smart Electric Technologies.

Tax Equivalent Payments

$2 million paid in lieu of taxes

Personnel

21 TVA employees | 226 TVA retirees

TVA Suppliers

$390.5 million in non-fuel materials and services purchased from North Carolina vendors