Fact Sheet Reassessment of Coal Combustion Surface Impoundments Submitted to the Environmental Protection Agency July 16, 2009

- TVA is aggressively working to ensure that it has the most rigorously inspected and structurally sound system of coal ash storage impoundments in the industry.
- We are committed to openly and self-critically challenging every assumption about our storage impoundments.
- To fulfill this commitment, we have preliminarily reassessed the potential hazard classifications of the impoundments at each of our 11 fossil plants, in addition to the facility at the now-closed Watts Bar Fossil Plant.
- The classifications, which are based on criteria of the Federal Guidelines for Dam Safety, evaluate the potential consequences of a worst-case failure of a wet storage impoundment.
 - The classifications do not consider the structural integrity of the facility or the possibility of whether a failure could occur. They are designed to identify where loss of life or significant economic or environmental damage could occur in the event of a failure.
- Based on a conservative application of the Dam Safety Guidelines, impoundments at four of the 12 plant sites are rated "High," which means that due to their location and the volume of their contents a failure could cause the loss of at least one life.
- TVA's external consultant, Stantec, is conducting a comprehensive engineering and structural analysis of all TVA's storage impoundments. This analysis is expected to be complete by summer 2010 and will include a thorough reassessment of the hazard classifications.
- TVA is not waiting for completion of the Stantec work but has been making improvements to the impoundments promptly as we've received information from Stantec.
- To date, we have received no indications that any of our impoundments are in danger of failing.
 - The "High" classification at the four sites identify where TVA will
 prioritize its efforts to ensure that the storage facilities remain safe
 for the public and our employees.

- The four sites are: Bull Run and Cumberland in Tennessee and Colbert and Widows Creek in Alabama.
- TVA is also continuing to focus on the impoundments rated "Significant."
- To ensure that work is appropriately prioritized and carried out, TVA has
 established a new organization within the Chief Operating Officer's
 organization dedicated solely to ensuring the safe and reliable operation
 and maintenance of the impoundments. Previously, this was one of the
 responsibilities of each plant manager.
- As a result of our evaluations of ash and gypsum storage impoundments, and our commitment to minimize risk, we have plans to change our storage and disposal processes at some plants. This includes changing from wet to dry ash storage and shutting down some storage impoundments.

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