



PRESIDENT'S REPORT



Operations and Financials

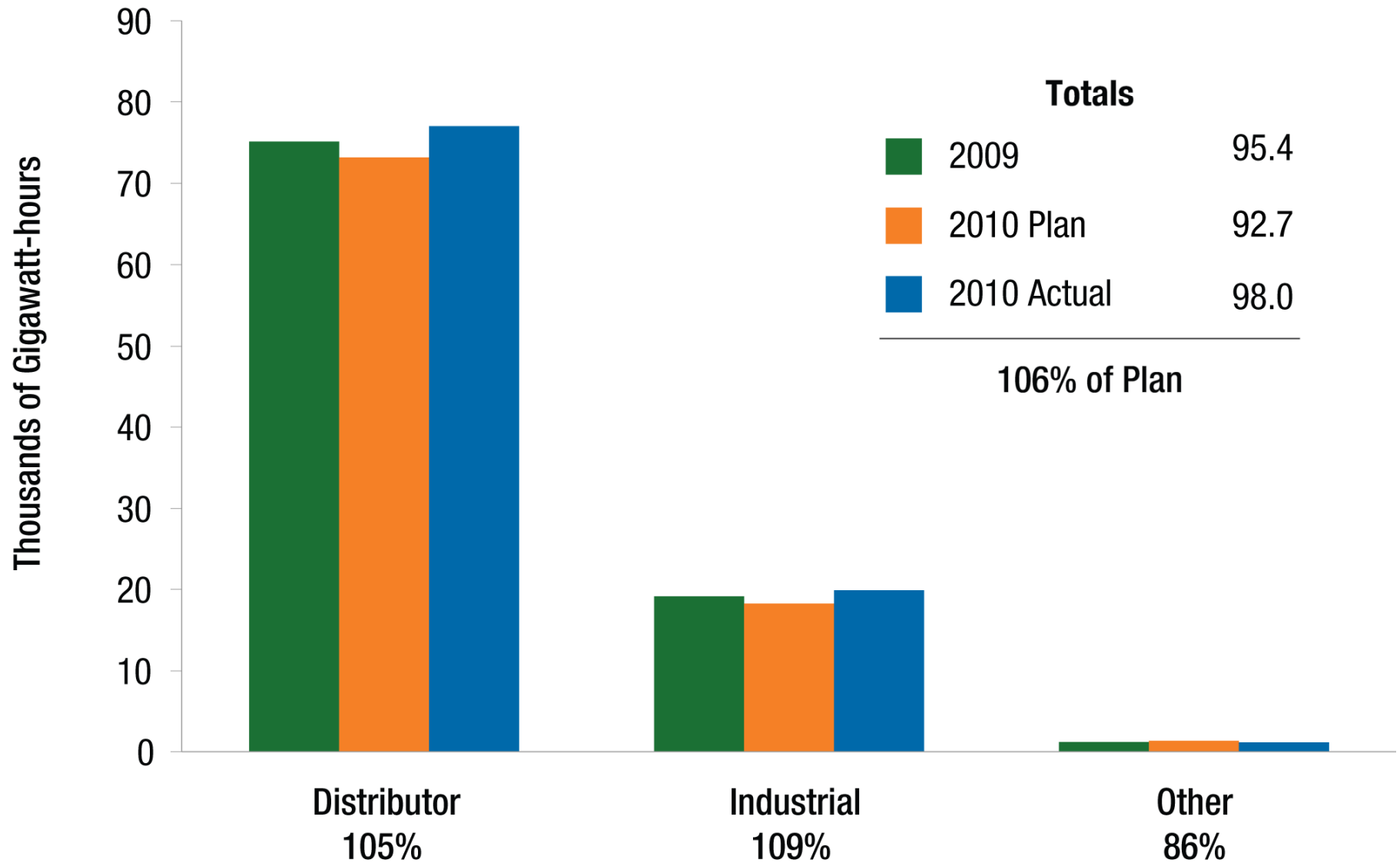
TVA Performance Summary

		Vs. Plan	Vs. Last Year	Vs. Peers
Rates	Net Cash Flow	●	●	
	Retail Rates	●	●	●
	Sales	●	●	
	Fuel & Purchased Power	●	●	
	Operations & Maintenance	●	●	●
	Capital Investment	●	●	●
Reliability	Plant Reliability	●	●	●
	System Reliability	●	●	●
	Runoff	●	●	
	Hydro Generation	●	●	
Responsibility	Safety	●	●	●
	Environmental (REE)	●	●	●
	Organizational Effectiveness	●	●	

Very Good
 Good
 Caution
 Poor

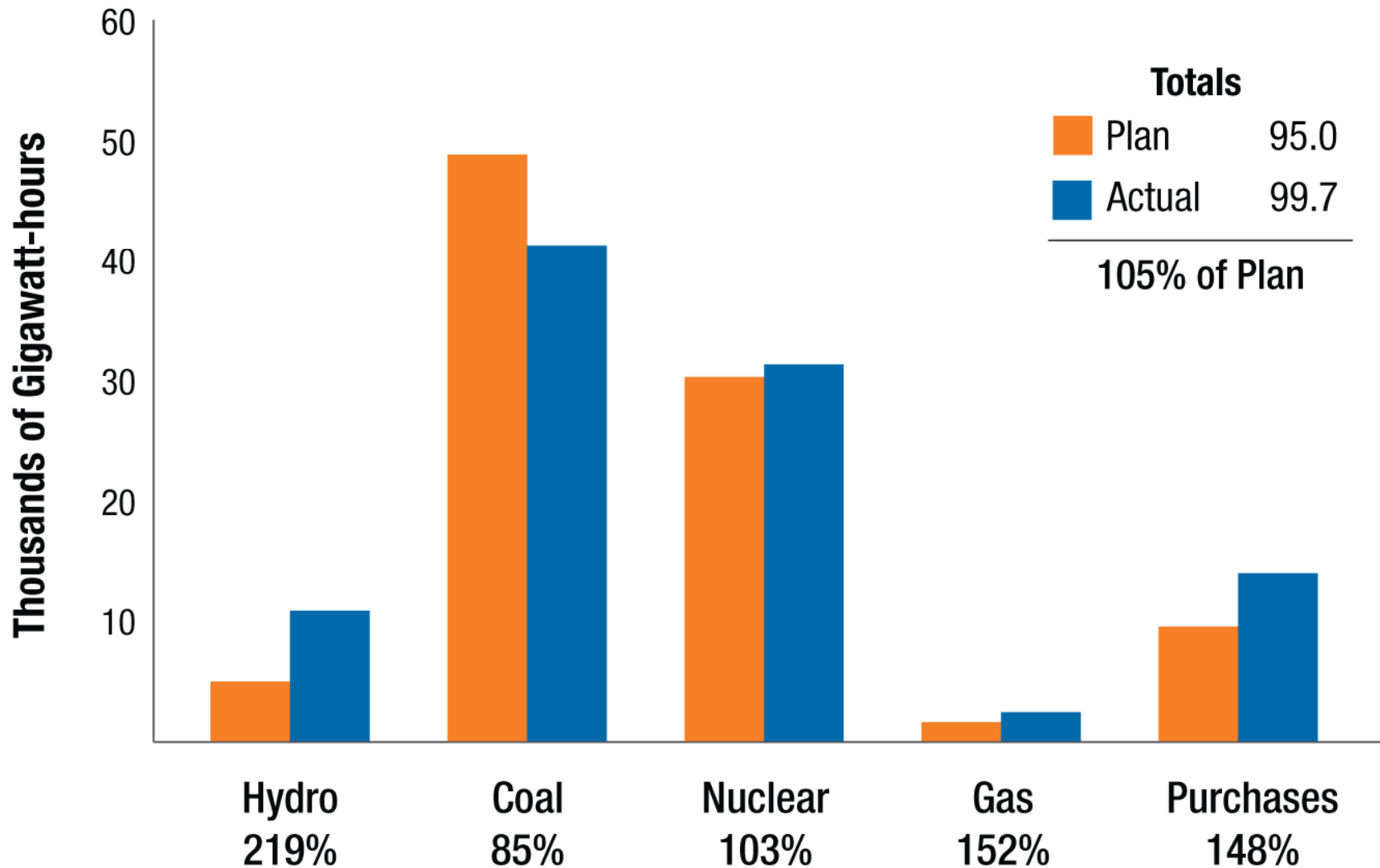
Power Sales

Fiscal Year results through April



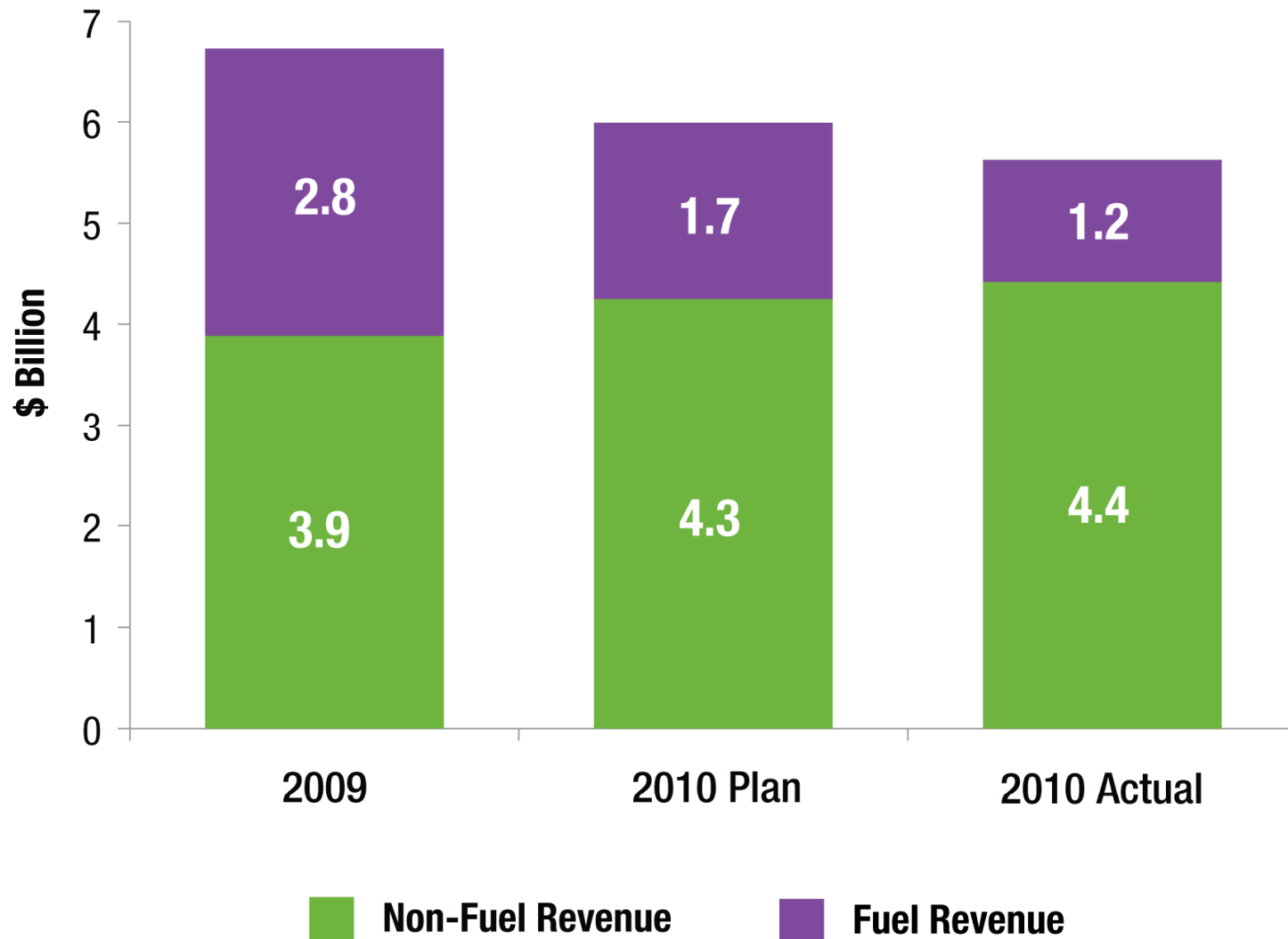
Energy Supply

Fiscal Year 2010 results through April



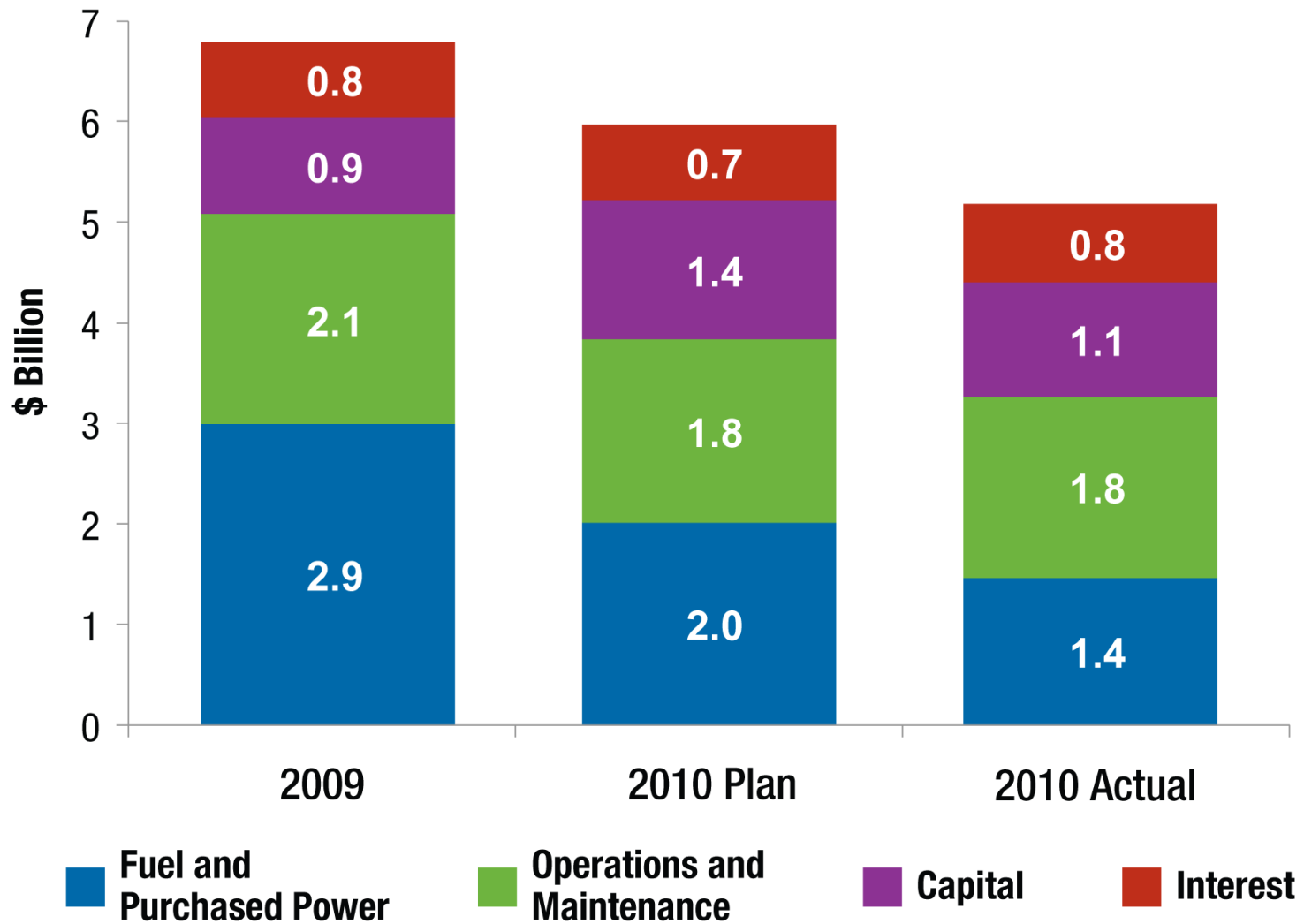
Revenue

Fiscal Year results through April

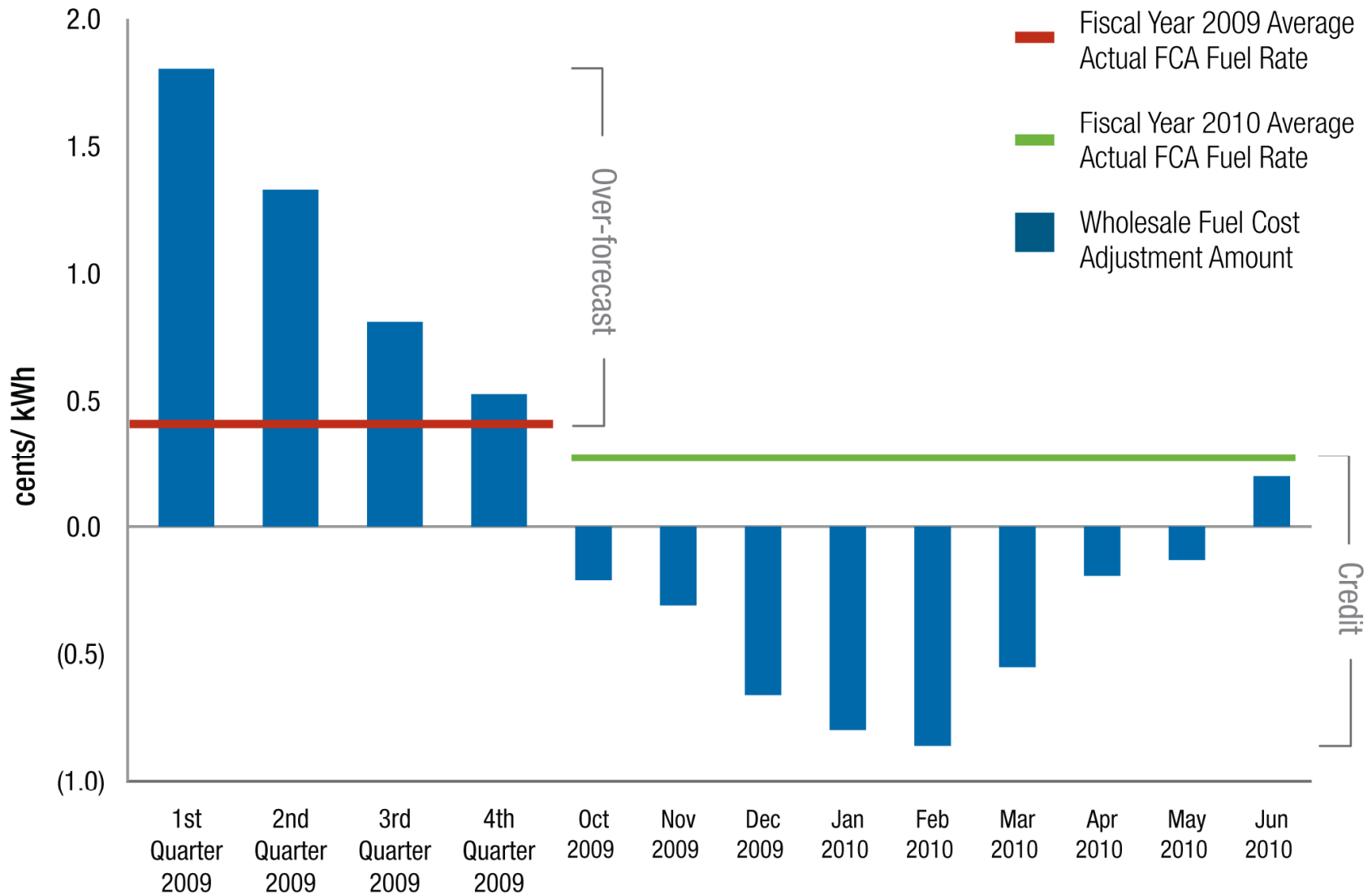


Expenses

Fiscal Year results through April

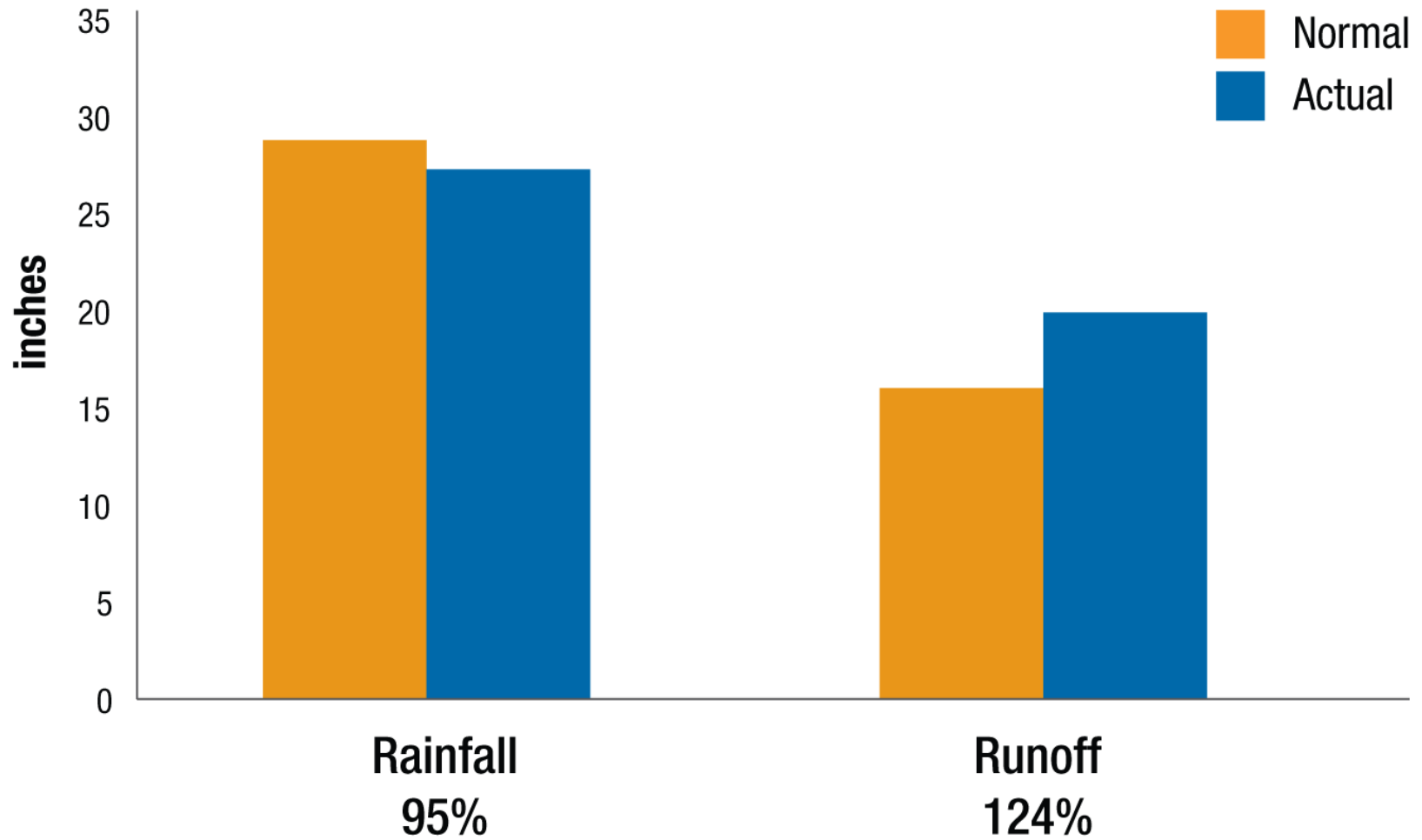


Fuel Cost Adjustment Credit Balance



Rainfall and Runoff

Fiscal Year 2010 results through April



Industry News

Industry News

EPA Issues New Sulfur Dioxide Standards

Mississippi Power Kemper County Coal Plant construction upwards of \$2 billion

Virginia State Corporation Commission rules that wind farm purchase agreements are too costly

Dominion Virginia Power To "Mothball" Coal-Fired Plant and Seeking Air Permit For Proposed Gas-Fired Plant

Auto Manufacturers are Preparing for the New Generation of Electric Cars

AEP Customers To Pay Monthly Fee For Energy Efficiency

Hard Spots

Hard Spots

Middle and West Tennessee flood





Hard Spots

Middle and West Tennessee flood

Rock Slide destroys flume at Ocoee No. 2



Hard Spots

Middle and West Tennessee flood

Rock Slide destroys flume at Ocoee No. 2

**Violations and encroachments on TVA
public land**



Long-term Permanent Use of Campsites and Safety Violations



Permanent camp site

Dock and deck built without permit



Highlights

Highlights

Emory River reopened at Kingston



Highlights

Emory River reopened at Kingston

Environmental Protection Agency approved plan to store Kingston ash onsite

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Browns Ferry Nuclear Unit 1 has been online for 452 days

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Bellefonte Supplemental Environmental Impact Statement issued

Highlights

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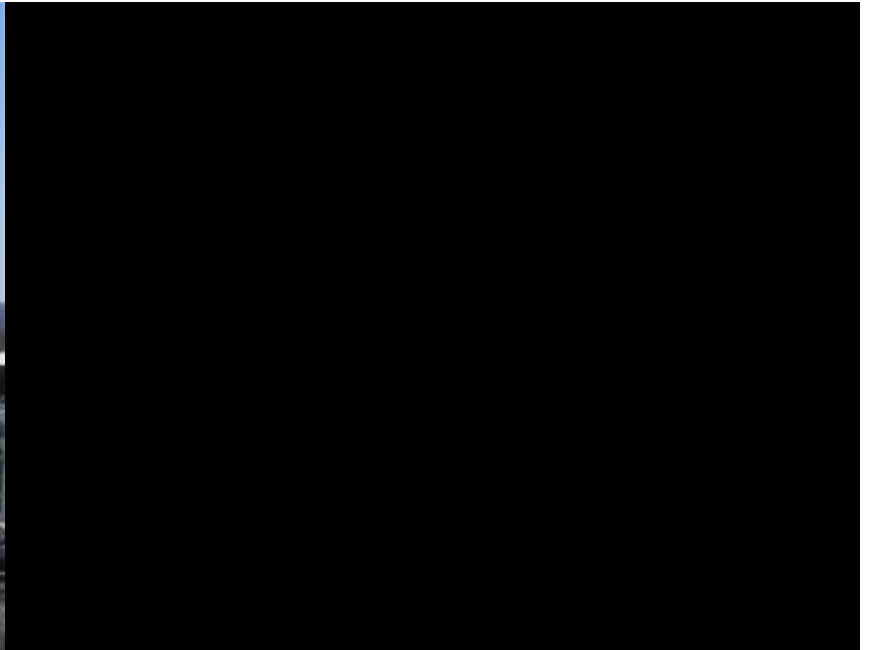
Browns Ferry Nuclear Unit 1 has been online for 452 days

Bellefonte Supplemental Environmental Impact Statement issued

Completed first comprehensive SERC Reliability Audit

Highlights

Project to install environmental controls at Kingston fossil plant was completed on time and within budget



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Renewable wind power is being delivered from Cayuga Ridge in Illinois



Highlights

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Renewable wind power is being delivered from Cayuga Ridge in Illinois

Near zero-energy house at Campbell Creek in Knoxville was a profitable power producer in April

Campbell Creek Research Homes



April 2010 Monthly Energy Use

Total Energy Use	733 kWh
Solar Generation	386 kWh
Net Energy Use	347 kWh

Monthly Energy Cost

Gross Power Bill	\$67.43
Gen Partners Credit	\$77.99
Net Bill (Credit)	\$(10.56)





FINANCE, STRATEGY, RATES, AND ADMINISTRATION



Executive Goals

Pricing of Alcoa Power Contract Extension

Recommendation

Board Approval is requested for the following:

The updated real time pricing in the proposed 12-month extension.



**OPERATIONS,
ENVIRONMENT,
AND SAFETY**



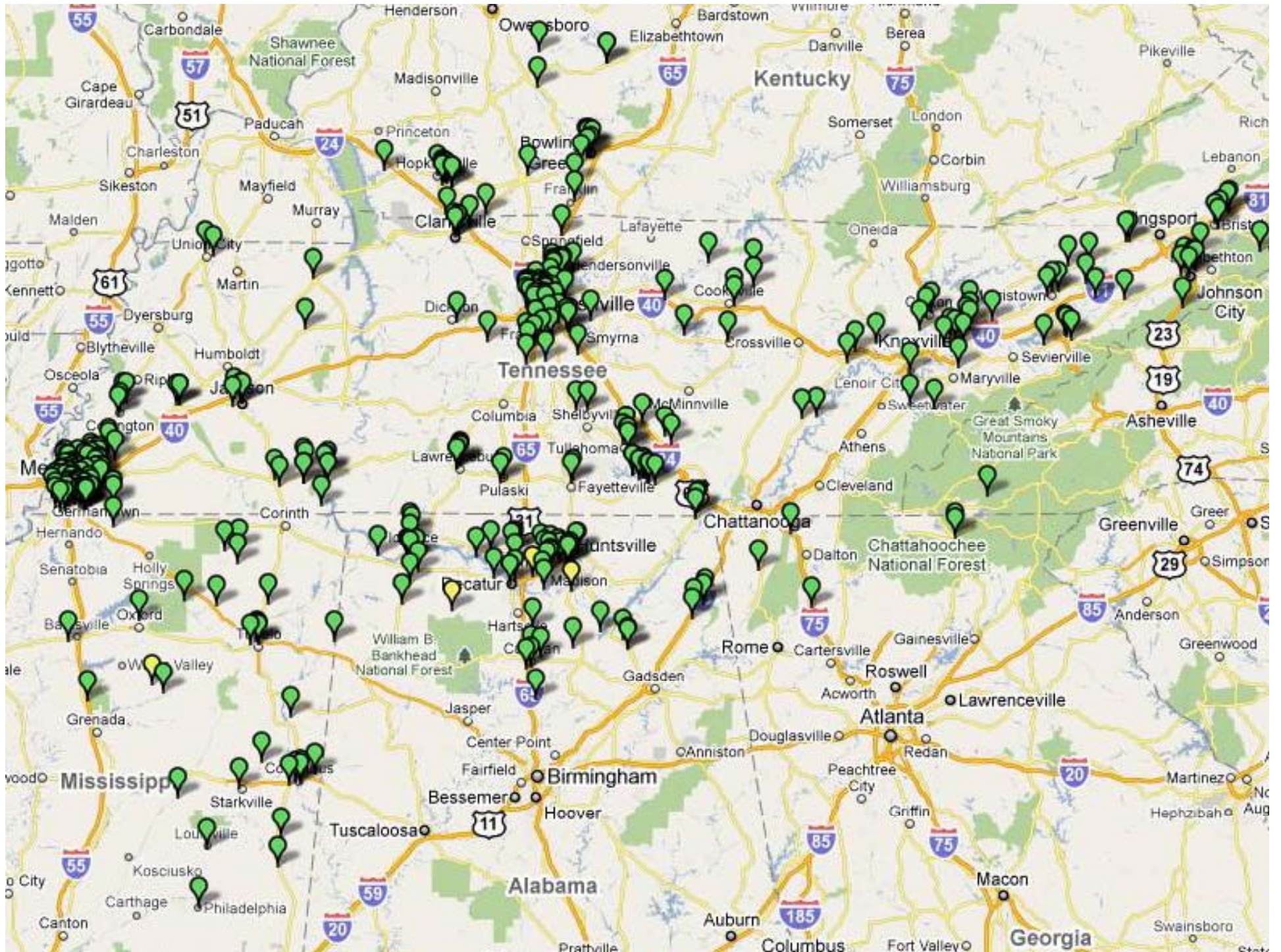
AUDIT, GOVERNANCE, AND ETHICS



COMMUNITY RELATIONS AND ENERGY EFFICIENCY



EnerNOC Capacity Expansion Agreement

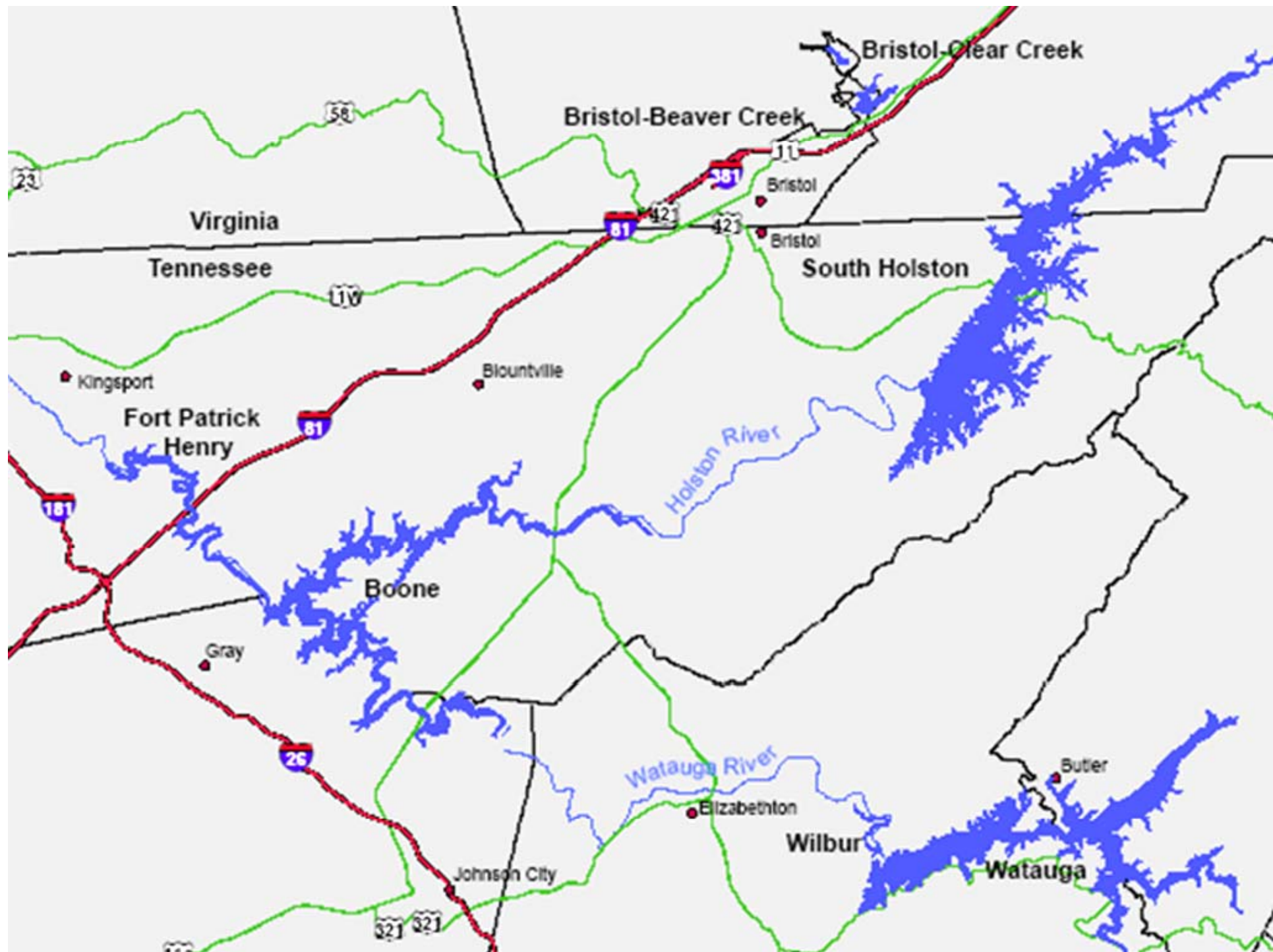


Recommendation

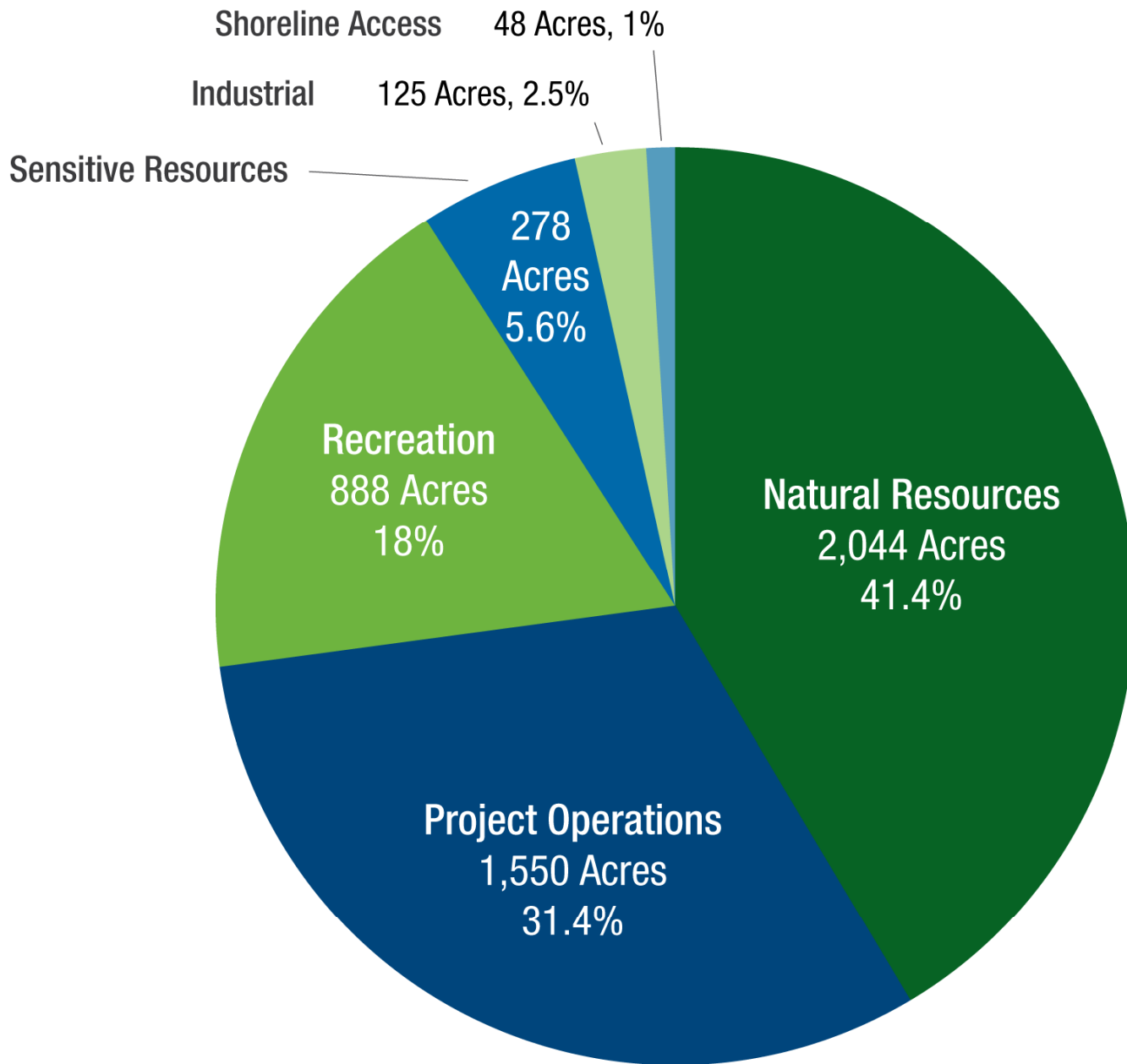
Board Approval is requested for the following:

Phase II of the TVA/EnerNOC Demand Response Program, to provide up to an additional 400 MW of peak demand reduction, and a total peak demand reduction of up to 560 MW by 2012

**Northeastern Tributary
Reservoirs Land
Management Plan Approval**



Northeastern Tributary Reservoirs Land Management Plan – Alternative C

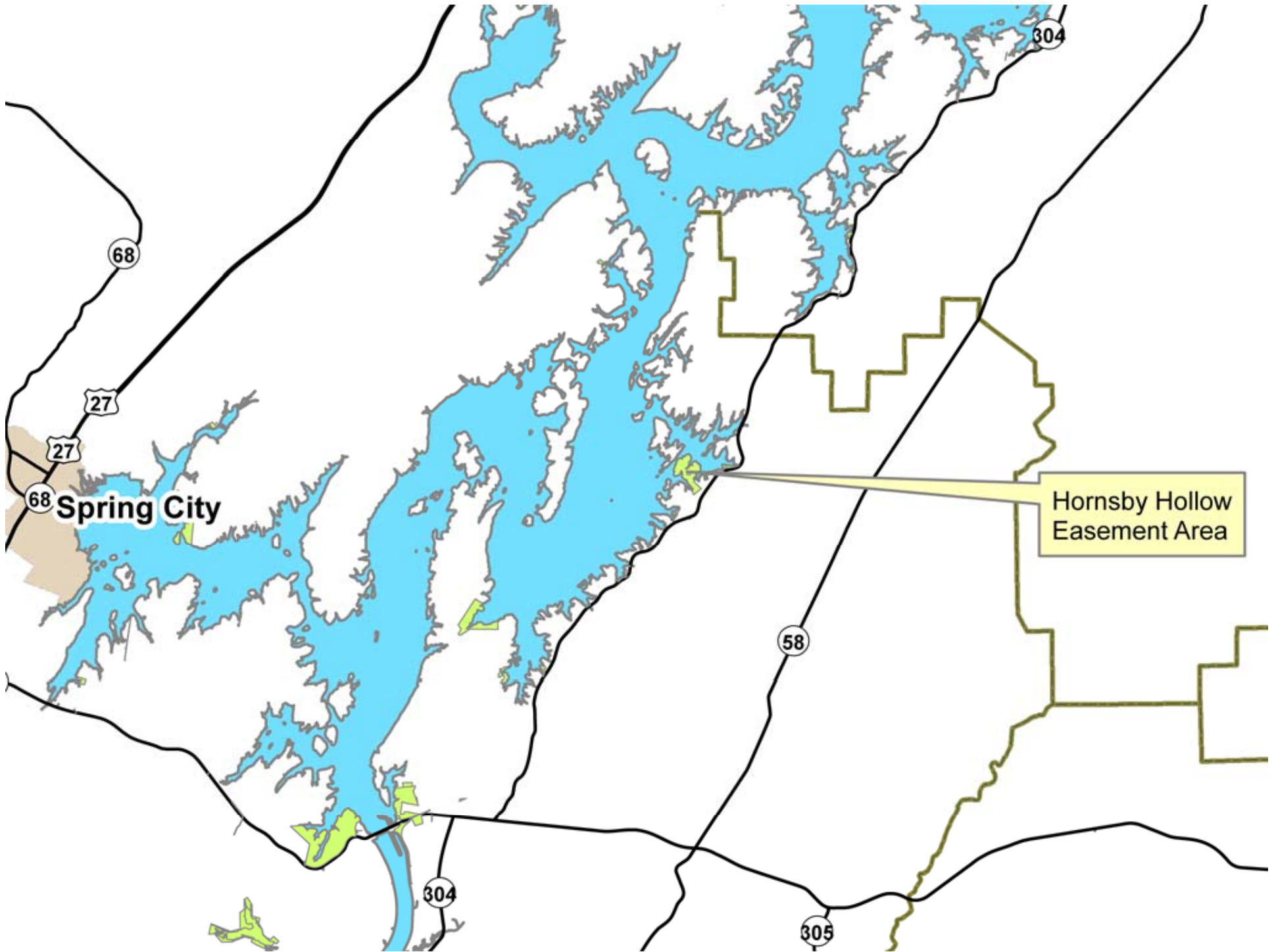


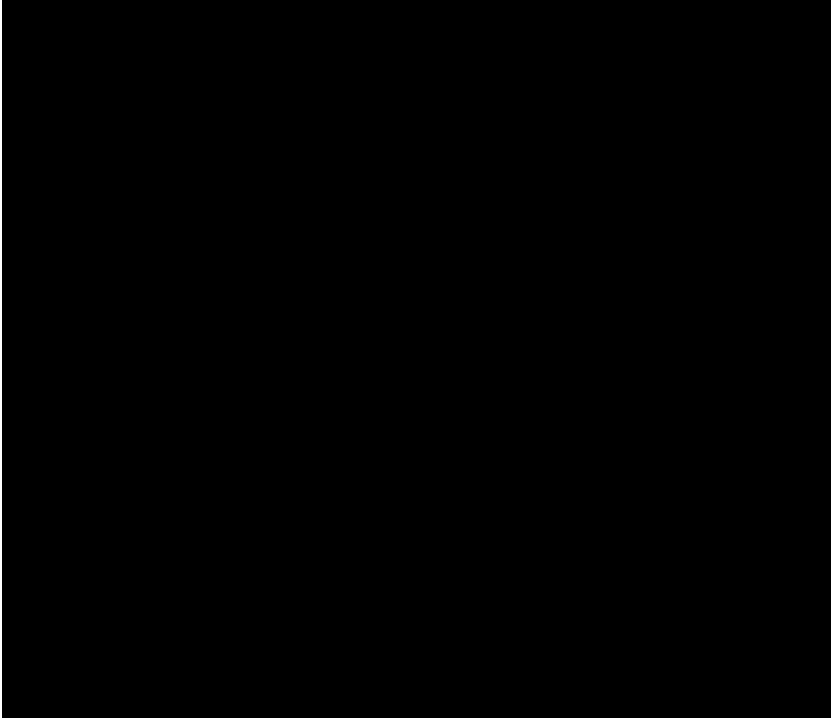
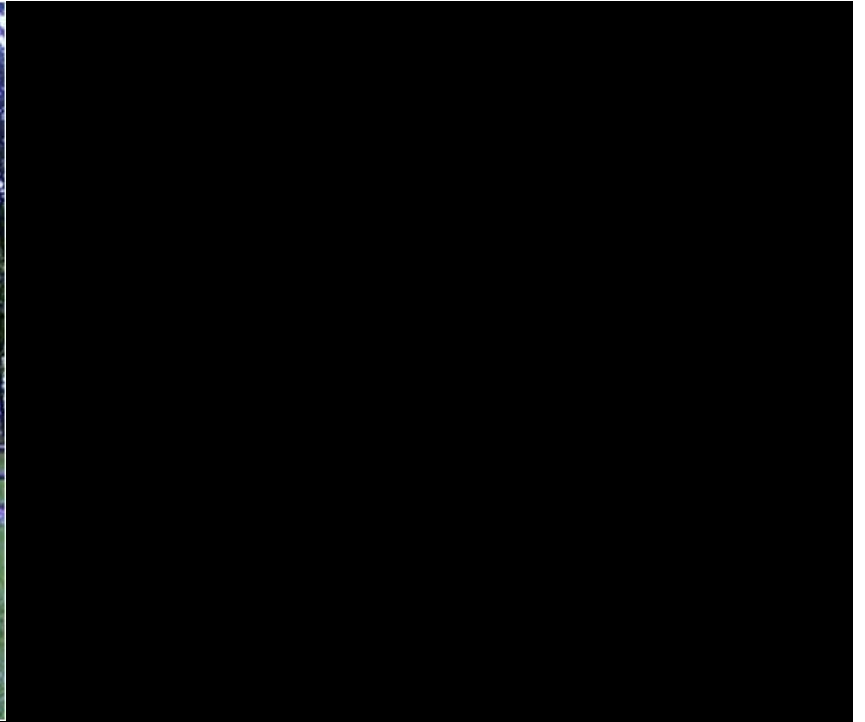
Recommendation

Board Approval is requested for the following:

The Northeastern Tributary Reservoirs Land Management Plan which implements Alternative C

**Hornsby Hollow
Commercial Recreation
Easement**





Recommendation

Board Approval is requested for the following:

A 30-year commercial recreation easement affecting approximately 40 acres in Meigs County, Tennessee, on Watts Bar Reservoir

**Regional Resource
Stewardship Council
Charter Renewal and
Revision**

Background

Regional Resource Stewardship Council
formed in 2001

Federal Advisory Committee Act

Natural Resource Stewardship Advice

Up to 20 Members

Two-year terms

Recommendation

Board Approval is requested for the renewal of the Regional Resource Stewardship Council for an additional two years and approve the Council Charter

