



# THE TENNESSEE VALLEY AUTHORITY

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**Bill Sansom, Chairman**

**Tom Kilgore, President & Chief Executive Officer**

TVA is a federal corporation charged with improving the quality of life in the seven-state Tennessee Valley region. Dedicated to public service, TVA operates with the flexibility and innovation of a private corporation. Through seven decades, TVA has proved itself to be the world's most successful experiment in regional development. Its technological achievements are unique in harnessing the Tennessee River, restoring a ravaged land, providing power to an 80,000-square-mile region, developing the tools to ensure a clean and healthy environment, and nurturing a vibrant economy.

As the nation's largest public power provider, TVA touches millions of lives through the three key areas of its mission:

- **Energy.** TVA provides reliable, affordable electric power that helps businesses and families prosper. As of 2008, TVA sells power to 159 local power companies that serve 8.7 million people and 650,000 businesses and industries in the seven-state TVA area. TVA serves almost all of Tennessee and parts of Alabama, Georgia, Kentucky, Mississippi, North Carolina, and Virginia. TVA also sells power to 62 large industrial customers and federal installations.
- **Environmental Stewardship.** TVA manages natural resources of the Valley for the benefit of the region and the nation. It manages the Tennessee River system and neighboring public lands to reduce flooding, maintain navigation channels, support power production and recreation, improve water quality and supply, and protect shoreline resources.
- **Economic Development.** TVA builds business and community partnerships that bring jobs to the region and keep them here – to make the economy stronger.

**Financing.** TVA is completely self-financing and receives no taxpayer dollars. It pays for all its activities through power sales and bond issues.

## TVA in Tennessee

**Energy Sales.** The TVA service area in Tennessee is more than 42,000 square miles and includes virtually all of the state's 95 counties.

In fiscal year 2006, TVA sold 98.7 billion kilowatt-hours of electricity to 62 municipal and 22 cooperatively owned power companies in Tennessee.

Distributors of TVA power provided approximately 41 billion kilowatt-hours of electricity to more than 2.5 million Tennessee households in fiscal year 2006.

Distributor sales to over 430,000 commercial and industrial customers totaled more than 50 billion kilowatt-hours. In addition, distributors in Tennessee sold 1.1 billion kilowatt-hours to outdoor lighting customers.

TVA provided more than 9.1 billion kilowatt-hours of electricity directly to 22 large industries and federally owned installations in Tennessee in 2006.



TVA power revenues in Tennessee in fiscal year 2006 totaled nearly \$5.8 billion, or about 63 percent of all TVA operating revenues.

**Power Generation and Transmission.** TVA operates 19 hydroelectric dams, seven coal-fired power plants, two nuclear power plants, and five combustion turbine sites in Tennessee, with a combined generating capacity of more than 19,655 megawatts.

*Coal-fired Plants:* Allen, Bull Run, Cumberland, Gallatin, John Sevier, Johnsonville, and Kingston; with combustion turbines (CTs) at Allen, Gallatin, Gleason, Johnsonville, and Lagoon Creek. (Four other coal-fired plants and two other CT sites are located elsewhere in the Valley.)

*Nuclear Plants:* Sequoyah and Watts Bar (Browns Ferry Nuclear Plant is located near Decatur, Alabama).

*Hydroelectric Plants:* Boone, Cherokee, Chickamauga, Douglas, Fort Loudoun, Fort Patrick Henry, Great Falls, Melton Hill, Nickajack, Norris, Ocoee 1, Ocoee 2, Ocoee 3, Raccoon Mountain Pumped Storage, Pickwick Landing, South Holston, Tims Ford, Watauga, Watts Bar, and Wilbur.

TVA owns and/or maintains 291 substations and switching stations and 10,255 circuit miles of transmission line in Tennessee.

TVA operates 10 solar facilities in the state of Tennessee: a 27-kilowatt facility at the Adventure Science Center in Nashville, two 18-kilowatt facilities at Dollywood in Pigeon Forge, an 18-kilowatt facility at Gibson County High School in Dyer, a 15-kilowatt facility at Ijams Nature Center in Knoxville, a nine-kilowatt facility at Coker County High School in Newport, a 15-kilowatt facility at the American Museum of Science and Energy in Oak Ridge, an eight-kilowatt facility at the Oak Ridge National Laboratory in Oak Ridge, an 85-kilowatt facility at Finley Stadium in Chattanooga, and a 26-kilowatt facility at the Bridges Center in Memphis.

TVA operates three wind turbines on Buffalo Mountain in Oliver Springs, with a generation capacity of two megawatts. TVA also purchases the output of 15 additional wind turbines on Buffalo Mountain, owned by Invenergy LLC, with a generation capacity of 29 megawatts.

TVA generates methane gas from the city of Memphis wastewater treatment facility. The methane gas is then provided to TVA's Allen Fossil Plant as an additional source of renewable energy with a generating capacity of 4 megawatts.

**Land and Water Stewardship.** TVA manages 32 reservoirs in Tennessee: Boone, Cherokee, Chickamauga, Douglas, Fort Loudoun, Fort Patrick Henry, Great Falls, Melton Hill, Nickajack, Nolichucky, Normandy, Norris, Ocoee No. 1, Ocoee No. 3, Raccoon Mountain, South Holston, Tellico, Tims Ford, Watauga, Watts Bar, and Wilbur, plus eight small reservoirs in the Beech River watershed in West Tennessee and portions of Kentucky, Pickwick, and Guntersville reservoirs. These reservoirs have a combined surface area of about 300,000 acres and about 7,000 miles of shoreline.

TVA is responsible for more than 170,000 acres of land around these reservoirs and their tributaries.

**Air Quality.** TVA is working aggressively to further improve air quality in the region, and the region's air quality is better than it has been in decades. By 2010, TVA will have invested almost \$5.8 billion to reduce sulfur dioxide and nitrogen oxides from its coal-fired plants.

**Personnel.** TVA employs more than 8,350 people in Tennessee. The state is home to more than 11,000 TVA retirees and their families.

**Tax-equivalent Payments.** TVA paid \$221,017,704 in lieu of taxes to the state of Tennessee in fiscal year 2006, based on power sales and power property values in the state. TVA is the largest single contributor of revenue to the state treasury.

**Economic Development.** Since 1996, TVA has invested \$96 million in economic development loans for new and expanding industries in Tennessee. These loans have helped create approximately 28,500 new jobs and leveraged more than \$1.1 billion in additional investments from private and public sources.

**TVA Suppliers.** TVA purchased \$1.038 billion worth of fuel, materials, and services from Tennessee vendors in fiscal year 2006 — \$940.6 million in materials and services, \$89.4 million in fossil fuel, and \$7.8 million in nuclear fuel.



## Board of Directors

**Chairman William B. Sansom** of Knoxville is chairman and chief executive officer of The H.T. Hackney Co. and has held that position since 1983. Hackney is a diversified company involved in wholesale grocery, gas and oil, and furniture manufacturing. His term expires May 18, 2009.

**Dennis Bottorff** of Nashville serves as chairman and partner of Council Ventures, a venture capital firm. He was chairman of AmSouth Bancorporation in Nashville until his retirement in 2001 and previously was chief executive officer of First American Bank. His term expires May 18, 2011.

**Don DePriest** of Columbus, Mississippi, is chairman of a venture capital firm headquartered in Alexandria, Va. The firm has founded or invested in such companies as American Telecasting, now merged with Sprint; his Charisma Communications Corp. was a pioneer in the cellular phone business. He previously chaired the Columbus, Mississippi, Utilities Commission. His term expires May 18, 2009.

**Mike Duncan** of Inez, Kentucky, is chairman, chief executive officer, and director of Community Holding Co.; chairman, CEO, and director of Inez Deposit Bank; and chairman of the Republican National Committee. He is a director of the regional Center for Rural Development. His term expires May 18, 2011.

**William Graves** of Memphis is presiding Bishop of the Christian Methodist Episcopal Church. He is a former pastor of the Phillips Temple CME Church of Los Angeles and a former member of the board of Memphis Light, Gas & Water. His term expired on May 18, 2007; the president has announced his intention to nominate him to a new term ending May 18, 2012.

**Skila Harris**, a native of Bowling Green, Kentucky, served as a full-time TVA Director from November 1999 through March 2006. She previously held positions in the U.S. Department of Energy, the White House, and energy-management and engineering-consulting firms. Her term expires May 18, 2008.

**Howard Thrailkill** of Huntsville, Alabama, recently retired as president and chief operating officer of Adtran, Inc., in Huntsville, which supplies equipment for telecommunications service providers and corporate end-users. Previously, he was president and chief executive officer of the firm Floating Point Systems. His term expires May 18, 2010.

**Susan Richardson Williams** of Knoxville provides public relations consulting services through SRW & Associates for clients that range from major corporations to high-tech companies. She has served in the Cabinet of two Tennessee governors, on the staff of a third, and on the staff of a U.S. Senator. Her term expired May 18, 2007; the president has announced his intention to nominate her to a new term ending May 18, 2012.

## President and Chief Executive Officer

**Tom Kilgore** was named president and chief executive officer in October 2006, having served as acting CEO since March 2006. He was appointed president and chief operating officer in March 2005. He had previously served as president and chief executive officer of Progress Ventures in Raleigh, N.C.