

TVA and Winter Storm Elliott

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TVA Restricted Information - Deliberative and Pre-Decisional Privileged

Our Mission

To serve the people of the Tennessee Valley to make life better.

Energy | Environmental Stewardship | Economic Development



Partnering to Serve You & Your Community

Partnering with

153 Local Power Companies

To serve

10 Million People700,000 Businesses in Parts of 7 States57 Large Industries & Federal Installations



Delivering on Our Mission to You

Energy | Environment | Economic Development



Provide affordable, reliable power.



Steward the Valley's natural resources.



Partner for economic growth.



Building the Energy System of the Future

Significant investments to ensure a more resilient system in a cleaner energy future

Reliable



Investment in Existing FleetsIncreasing reliability and resiliency to TVA's system

Resilient



New System Operations Center Keeping reliability high, costs low, and improving resiliency and flexibility

Responsible



Portfolio Diversity

Expanding clean energy generation while maintaining flexibility and reliability



Diverse Generation







Renewable



Hydro



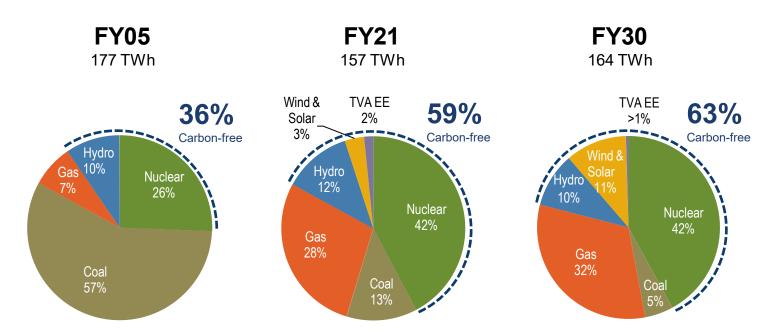
Natural Gas





Coal

Diverse and Cleaner Energy Mix

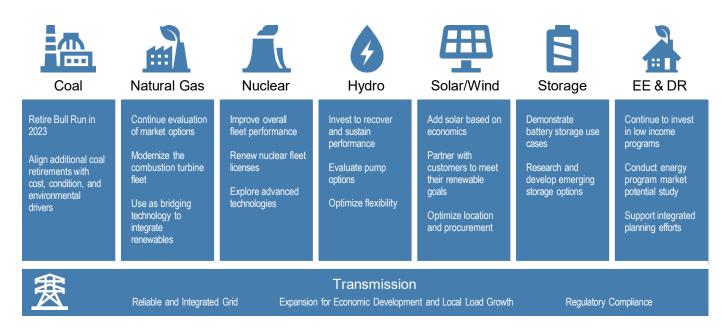


Graph represents energy. FY21 and FY30 forecasts are based on current planning assumptions in the FY21 Trajectory. EE includes TVA Energy Efficiency Program impacts on a Net Cumulative Realized at System basis, 2007 base year, and excludes energy efficiency effects from external factors.



Asset Strategy Initiatives

TVA's asset strategy was developed based on 2019 Integrated Resource Plan (IRP) strategic direction and key signposts, grounded in least-cost planning, and includes the following initiatives:









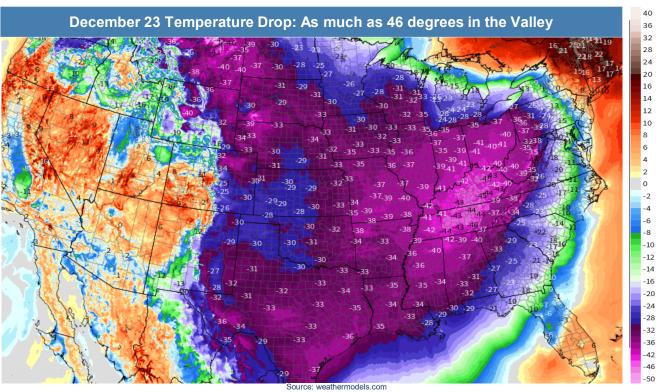
System Operator Notes

- Realtime Balance of Generation and Load
- Economic Dispatch
- Limited by Laws of Physics (Losses and Overloads)
- Contingency Planning
 - -Reserves
 - -Market
 - -Emergency Load Curtailment Plan
 - -Black Starts



Winter Storm Elliott: An Unprecedented National Event

- Approximately 2,000 miles wide;¹ affected eastern 2/3 of lower 48 states²
- Over 60% of U.S. population under winter weather alert and wind chill alerts²
- Heavy precipitation in the Valley on December 23
- Temperatures dropped as much as 46 degrees in 5 hours
- Wind gusts over 40 mph in some areas³
- Conditions created unanticipated impacts to generation, transmission, distribution, and water systems



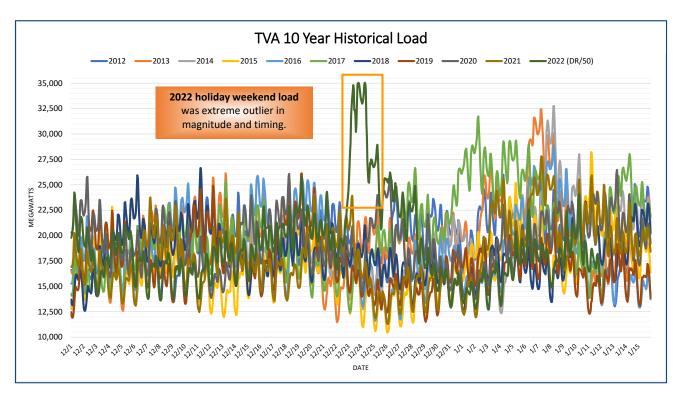
^{1.} https://www.theguardian.com/us-news/2022/dec/23/us-weather-bomb-cyclone-us-christmas-latest



^{2.} https://www.wunderground.com/article/storms/winter/news/2022-12-23-winter-storm-elliott-bomb-cyclone-midwest-northeast-winds-snow

^{3.} https://www.wunderground.com/history/daily/us/tn/nashville/KBNA/date/2022-12-22

The Storm Resulted in Dramatic Increases in Demand





Extreme Storm Created Extreme Conditions

Magnolia Combined Cycle Gas Plant Ashland, MS



top of the Heat

Recovery Steam

Generator

CC Technician thawing a sensing line on a control device

Allen Combined Cycle Gas Plant Memphis, TN



CC Technician adding additional heat to an instrumentation enclosure

Paradise Combined Cycle Plant Drakesboro, KY



Cooling tower make-up valve control instrumentation box



What We Learned

Key drivers

- Conditions exceeded the design of the units
- Insufficient energy was available from neighboring regions

Improvement opportunities

- Forecasting tools to more accurately predict load and increase preparedness
- Coordination and visibility related to gas supply
- Coordination and implementation of emergency procedures
- Flow of information internally and externally

TVA is committed to improving our performance by addressing the drivers and opportunities and leveraging our strengths.



Summer Investment for Winter 2023

TVA invested more than \$8 million over the summer to prepare the coal, gas and hydro fleet for extreme cold weather.

- Including, adding or upgrading insulation,
- building enclosures around equipment exposed to the elements, and
- modernizing heat trace technology to prevent pipe contents and instrumentation from freezing.

In FY2024, TVA will invest another \$35 million for long-term sustainability of the winterization of the Power Operations fleet.

 Long-term Goal: Operate in extreme weather conditions of up to minus 20 degrees Fahrenheit in 20 mph winds for at least 48 hours









Capacity Additions

Approximately 3,800 MWs of new generation

750 MWs

Simple cycle CTs at Colbert

(3 - 250 MWs)Commercial CY 2023

200 MWs

Solar at **Lawrence County**

750 MWs

Simple cycle CTs at Paradise (3 - 250 MWs)

Commercial CY 2023

1,500 MWs

Combined Cycle at Cumberland Commercial CY 2026

500 MWs

Peaking aero-derivative CTs at Johnsonville Commercial CY 2024

Commercial CY 2025

20 MWs

Battery at Vonore Commercial CY 2023

100 MWs

Solar at Shawnee *pending environmental reviews Commercial CY 2027





GE-Hitachi BWRX-300

CLINCH RIVER NUCLEAR PROJECT'S POTENTIAL SMR TECHNOLOGY

TVA identified GEH's innovative BWRX-300* reactor design as the most promising for near-term deployment.





This provides confidence the technology can be rapidly deployed on a predictable schedule with acceptable risk.



Delivering
Reliable Energy
that Powers
Your Life

Always Investing in New Lines

99.999% Reliability Since 2000 powering your life 24/7



Powered By People You Know







TENNESSEE VALLEY AUTHORITY

Appendix

