

TVA Achievements in 2007

2007 was a challenging year for the people of TVA in their mission of service to the people of the Tennessee Valley in the areas of energy, the environment, and economic development.

During the year, TVA:

- Sold 174.8 billion kilowatt-hours of electricity, earning fiscal year revenue of more than \$9.2 billion.
- Set six monthly records for peak power demand and met 13 of the highest peak demands in TVA history, including an all-time peak demand of 33,482 megawatts on August 16.
- The Board adopted an updated Strategic Plan that focuses on the specific goals of meeting the growing power needs of the Tennessee Valley reliably and through the use of sound financial principles.
- The TVA Board adopted a new Land Management Policy that restricts the use of TVA land for residential development and provides more direct guidance for land transfers or deed modifications for industrial and commercial use.
- Moody's Investor Services issued an updated credit report affirming TVA's Aaa rating with a stable outlook.

Energy

- TVA restarted Browns Ferry Unit 1, the nation's first nuclear generating unit brought online in the 21st century.
- The TVA Board unanimously approved completing Watts Bar Unit 2. When completed by 2013, the nuclear unit will provide about 1,180 megawatts of electricity – comparable to Browns Ferry Unit 1 – and enough to serve about 650,000 Tennessee Valley homes.
- The TVA Board authorized the CEO to submit an application to the Nuclear Regulatory Commission for a combined construction and operating license for two new units at TVA's Bellefonte site in Hollywood, Alabama. Construction of the plant would require further Board approval after licensing.
- The TVA Board approved the purchase of two natural-gas generating facilities and the lease of combined-cycle facility that together will add 1,915 megawatts of peaking capacity to TVA's portfolio. The Board also approved plans to allow for construction of a potential new generation facility.
- TVA's fossil system generated the highest amount of power in TVA history – more than 100 billion kilowatt-hours and Shawnee 6 set an all-time continuous-run record for U.S. fossil plants.
- All 59 fossil units operated simultaneously for a record 14-1/2 days between August 6 and August 20, breaking the previous record of 6-1/2 days in 2005.

- TVA achieved another generation milestone when, for the first time, all six nuclear and all 59 fossil units were on-line simultaneously for a period of 21 hours 28 minutes on June 26-27.
- TVA's transmission system delivered power to customers with 99.999 percent reliability for the eighth year in a row.
- Three distributors that had previously given notice to terminate their power contracts accepted an offer allowing them to withdraw their notice and return to their standard TVA power contracts without paying additional costs.

Environment

- TVA invested \$239 million in its ongoing \$5.8-billion program that has reduced fossil-plant emissions to their lowest levels in decades. TVA has reduced sulfur-dioxide emissions by 82 percent since 1977 and reduced nitrogen-oxide emissions during the summer ozone season by 81 percent since 1995.
- More than 3,500 citizen volunteers helped TVA watershed teams collect almost 146 tons of trash and debris from Tennessee Valley reservoirs and streams in the region.
- During the driest year on record in the Tennessee Valley, TVA operated the reservoir system to maintain commercial navigation channels, kept reservoir levels above municipal and industrial water intake structures, and helped protect aquatic life.
- Middle Tennessee State University completed its purchase of 55,000 Green Power Switch® blocks funded by fees approved by students in 2006. The blocks account for 10 percent of the university's energy, making MTSU the largest consumer of green power in the state and the second largest in the region.

Economic Development

- TVA paid state and local governments in the Tennessee Valley region a record \$452 million in tax equivalent payments that are used to support local education and other vital community needs.
- TVA purchased \$2.4 billion in goods, fuel, and services from businesses and industries in the Valley region.
- TVA invested in economic development efforts to support the expansion of businesses and industries. These investments helped create or keep 45,000 jobs in our region and leveraged \$5.6 billion in capital investment.
- TVA received independent certification of an additional megasite suitable for automobile manufacturing. By the end of 2007, nine megasites have been certified since the program began in 2004. Three have been sold to major industries.
- For the second year in a row, Site Selection magazine named TVA one of the "Top Utilities of the Year" for outstanding economic-development achievements in the Tennessee Valley.