



400 West Summit Hill Drive, Knoxville, Tennessee 37902

August 22, 2023

Ms. Maggie Shober
Research Director
Southern Alliance for Clean Energy
Post Office Box 1842
Knoxville, Tennessee 37901

Dear Ms. Shober,

As TVA's Board Secretary and on behalf of the TVA Board of Directors, we appreciate the interest and recommendations submitted by the nine organizations related to the 2024 Integrated Resource Planning process. We welcome the continued engagement from all our stakeholders as we position the Valley to thrive and flourish well into the future. TVA's enduring mission of serving the Valley to make life better through energy, economic development and environmental stewardship is as relevant today as it has been for the past ninety years.

TVA continues to reduce carbon emissions and aspires to achieve net-zero by 2050 as we transition to a cleaner energy system all while working to meet the load growth across the region. One of TVA's primary commitments is delivering affordable, reliable energy to the communities and people we serve across the region. After a decade of flat or no growth, we are experiencing strong load growth across the Valley. In order to ensure we can meet those needs, TVA is investing in new generation (solar, energy storage, gas), demand-side management and research and development into new technologies.

A key component of understanding and planning for the needs of the future is the Integrated Resource Plan (IRP), which serves as a compass for TVA, offering a strategic direction for how TVA can continue to provide affordable, reliable and increasingly clean power. The requirement for TVA to undertake this planning comes from the Energy Policy Act of 1992 ("EPA92"). Because TVA is not an investor-owned utility and not regulated by a state public utility commission, EPA92 included a unique provision applicable only to TVA that requires TVA to "conduct a least-cost planning program." TVA complies with this requirement through the preparation of an IRP, completing the first one in 1995, and then completing subsequent IRPs in March 2011, July 2015, and July 2019.

TVA has a history of offering multiple platforms, processes and working groups to drive engagement by the public and stakeholders with the IRP process. In particular, TVA's stakeholder engagements are targeted to provide acumen, discussion, and collaboration, and give stakeholders a robust opportunity to voice their opinions, concerns and recommendations into TVA's planning and decision-making processes. Examples include:

- IRP Working Group (IRPWG) – A diverse stakeholder group reviewing details of the IRP planning process, including inputs and assumptions, analyzing outputs, designing evaluation criteria, and evaluating results.
- Valley Vision 2035 (VV2035) – A diverse stakeholder group exploring emerging energy industry, community trends and uncertainties in order to collaboratively develop business model options for further exploration.
- Utility of the Future Information Exchange (UF-IX) – A forum comprised of a diverse stakeholder group providing input for consideration as TVA moves towards the energy system of the future.
- Valley Pathways Study (VPS) – A partnership between TVA and the University of Tennessee Baker Center for Public Policy bringing together a broad stakeholder group to complete a study centered on better understanding what various economic sectors, such as transportation, industry, agriculture and buildings might do throughout the Valley in the coming years to reduce carbon emissions and grow the economy.
- Public Information Meetings and Webinars – In conjunction with the National Environmental Policy Act (NEPA) requirements, TVA hosts various informational sessions, workshops and webinars covering a variety of initiatives, program offerings and topics of interest offered to all stakeholders and the general public.

Additionally, TVA offers ongoing stakeholder engagement initiatives which serve to build relationships over time to broaden and deepen channels of communications and input into TVA's planning and decision-making processes. Examples include:

- Regional Resources Stewardship Council (RRSC) – A Federal Advisory Committee (comprised of Governor Nominees from the seven states in the TVA service territory, customers, direct served industrials, economic development interest, energy and environmental non-governmental organizations, academia and community interests) established in 2000 by the TVA Board under the Federal Advisory Committee Act (FACA) to provide formal advice to the TVA Board and leadership on its stewardship activities and the priorities among competing objectives and values.
- Regional Energy Resource Council (RERC) – A Federal Advisory Committee (comprised of Governor Nominees from the seven states in the TVA service territory, customers, direct served industrials, economic development interests, environmental non-governmental organizations, recreation and navigation interests, and academia and community interests) established in 2013 by the TVA Board under the FACA to provide formal advice to the TVA Board and leadership on management of energy resources in the Valley, energy issues and the Integrated Resource Plan process.
- Quarterly TVA Board Listening Sessions – Stakeholders from every sector have the opportunity to provide written comments and/or verbally address the TVA Board on any topic of interest.
- Public TVA Board Meetings – Stakeholders from every sector have the opportunity to attend the TVA Board Meeting in person or view live via streaming service.
- Valley Partner and Customer/Utility Association Meetings – TVA hosts and participates in frequent engagements with 153 local power companies, 58 directly served customers and customer/utility associations in various meetings on a wide range of topics.

- Environmental Impact Study (EIS) Public Comment Periods and Public Meetings – In compliance with National Environmental Policy Act (NEPA), TVA evaluates the impacts of its actions on the environment before making decisions and involves the public in that decision-making. As part of that process, for any project expected to result in any significant environmental effects, TVA prepares an EIS and includes opportunities for public comment with at least one public meeting.
- TVA will prepare an EIS to evaluate the possible impacts of strategies and scenarios outlined in the IRP.
- Regional Field Team Engagements – TVA shifted to a regional model in 2021 to enhance relationships with communities, local businesses, elected officials, community and non-profit leaders in order to better serve through a more targeted focus on local issues and challenges.

In connection with the 2024 IRP, TVA has thus far identified the following engagement opportunities for the public (see Appendix A) to participate in, or provide comments, on the development of the IRP and the associated EIS (more information can be found at www.tva.gov/IRP):

- Public Comment Period (Scoping) – May 23, 2023 – July 3, 2023 [~50 official comments submitted]
- Public Virtual Webinars – May 23, 2023 [40 participants / 16 clarifying questions] and June 7, 2023 [75 participants / 18 clarifying questions]
- Public IRP Educational Webinar – Late Summer/Early Fall 2023
- RERC Meeting – Early Fall 2023 (quarterly thereafter)
- Public IRP Educational Webinar – Late Fall/Early Winter 2023
- Public Meetings and Comment Period on draft EIS and IRP – Spring 2024

With respect to engagement by the organizations represented in your letter, it is worth noting that representatives from some of them are directly involved in several of the engagements and working groups noted above.

While EPA92 does not require TVA to engage in a public process in developing the IRP, with the exception that it must provide distributors with the opportunity to recommend cost effective efficiency solutions, rate structure incentives, and renewable energy proposals, as mentioned above, TVA does complete the related NEPA review when developing an IRP which includes requirements associated with a public notice and comment process for engagement opportunities. As part of its IRP process, TVA seeks and values input and comments from local power companies, direct served industries, key stakeholders, and the public.

In addition to the engagements above, TVA is also committed to engagement with all our stakeholders to further TVA's efforts around environmental justice. TVA's regional relations community engagement model, external outreach efforts, translation of materials into various languages, partnering with community action organizations and other enhanced methods of community support allow TVA to better reach and engage with environmental justice populations, and get valuable input from them in all of TVA's strategic efforts, including the IRP. TVA offers several programs that are consistent with the mission and principles of the Justice40 Initiative and serve as examples of where and how TVA continues to direct substantial resources (Home Uplift, School Uplift, Community Centered Growth). Additionally, TVA is

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leveraging an environmental justice screening tool offered by EPA in the NEPA review process to assess and mitigate disproportionate impacts of TVA's decisions on environmental justice populations.

In closing, let me reiterate TVA's view that the public power model created by Congress through the TVA Act best serves the public interest of Valley communities and the comprehensive nature of the stakeholder involvement within the IRP process is further reflective of TVA's commitment to all those we serve. The industry as a whole faces challenges and opportunities, and TVA welcomes the opportunity to have further dialogue on how we might continue to leverage the strategic advantages of the public power model in shaping our energy system of the future together.

Please accept our appreciation for the sharing of your thoughts and recommendations related to TVA's 2024 Integrated Resource Planning process with the TVA Board. We hope that you will engage in the opportunities noted to provide input into the IRP process. Members of TVA staff will follow up to further discuss how we might continue to engage on areas to position the valley's energy system for the future.

Sincerely,

A handwritten signature in black ink, appearing to read "David B. Fountain".

David B. Fountain
Executive Vice President, General Counsel
and Corporate Secretary

cc: TVA Board of Directors
Jeff Lyash, TVA President and CEO
Jeannette Mills, TVA Executive Vice President and Chief External Relations Officer

Appendix A: 2024 IRP Public Engagement Opportunities

TVA offers a variety of public engagement opportunities during the course of the IRP process.

2024 IRP Public Engagement Opportunities

