
Third Quarter FY 2025 Investor Webcast

July 29, 2025

Introduction



Clifton Lowry
Vice President, Planning
and Investor Relations

Agenda

Third Quarter FY 2025 Review

- Don Moul, President and Chief Executive Officer

Review of Financial Performance

- Tom Rice, Executive Vice President and Chief Financial Officer

Question and Answer Session

Closing Remarks

“Safe Harbor” Statement

This document contains forward-looking statements relating to future events and future performance. All statements other than those that are purely historical may be forward-looking statements. In certain cases, forward-looking statements can be identified by the use of words such as “may,” “will,” “should,” “expect,” “anticipate,” “believe,” “intend,” “project,” “plan,” “predict,” “assume,” “forecast,” “estimate,” “objective,” “possible,” “probably,” “likely,” “potential,” “speculate,” the negative of such words, or other similar expressions. Although TVA believes that the assumptions underlying the forward-looking statements are reasonable, TVA does not guarantee the accuracy of these statements. Numerous factors could cause actual results to differ materially from those in the forward-looking statements. For a discussion of these factors, please see the annual, quarterly, and periodic reports that TVA files with the Securities and Exchange Commission. New factors emerge from time to time, and it is not possible for management to predict all such factors or to assess the extent to which any factor or combination of factors may impact TVA’s business or cause results to differ materially from those contained in any forward-looking statement. TVA undertakes no obligation to update any forward-looking statement to reflect developments that occur after the statement is made.

This presentation is intended to provide highlighted information of interest about TVA’s business and operations during its Third quarter ended Jun. 30, 2025. This presentation should be read in conjunction with TVA’s Form 10-Q Quarterly Report for the quarter ended Jun. 30, 2025, filed with the Securities and Exchange Commission.

Third Quarter FY 2025 Review



**Don Moul
President and
Chief Executive Officer**

Delivering on Our Mission to You

Energy | Environment | Economic Development



**Provide affordable,
reliable power**



**Steward the Valley's
natural resources**



**Partner for
economic growth**

Operational Excellence

Providing reliable service and competitively priced power



Continuing to meet growing power demand

Reliably met a record peak of 35,430 megawatts in January 2025

Investing in resiliency and capacity

Extending the lives of nuclear and hydro resources

Benefiting from a diverse power system

Building America's Energy Future

Meeting reliability today, investing for tomorrow



NEW GENERATION ADDED SINCE 2023

Paradise, Kentucky
681 MW, frame
combustion turbine

Colbert, Alabama
681 MW, frame
combustion turbine

Johnsonville, Tennessee
500 MW, aeroderivative
combustion turbine

NEW GENERATION UNDER CONSTRUCTION

Vonore, Tennessee
20 MW / 40 MWh battery
storage

Cumberland, Tennessee
1,450 MW, combined cycle

Kingston, Tennessee
1,500 MW, natural gas
generation (energy
complex)

Shawnee, Kentucky
100 MW solar

**Steens, Mississippi
(New Caledonia)**
500 MW, proposed frame
combustion turbine

POTENTIAL NEW GENERATION PENDING REVIEWS OR PRELIMINARY WORK

**Memphis, Tennessee
(Allen)**
200 MW, proposed
aeroderivative combustion
turbine

Middle Tennessee
900 MW, proposed gas
generation

**Brownsville, Tennessee
(Lagoon Creek)**
350 MW energy complex

North Alabama
1,200 MW hydro pumped
storage

Igniting Innovation: Accelerating Advanced Nuclear



Leading America's Nuclear Renaissance



For illustrative purposes only

Over 8,000 megawatts of nuclear capacity (7 units); 3rd largest fleet in the U.S.

Construction Permit Application was accepted

NRC Early Site Permit for an SMR (Clinch River)

\$350 million Board approved New Nuclear Program

Technology Collaboration Agreement

Collaborative partners for SMR cost and schedule estimate

DOE Gen III+ Grant Application with coalition partners

Top Utility for Economic Development

Creating opportunities that make life better for the people in the Valley



Helping companies locate, stay and expand existing operations in the Tennessee Valley

Attracting jobs and capital investment

In the past five years, TVA:

- Helped bring more than \$45.9 billion in capital investment
- Created 91,155 new jobs
- Retained an additional 234,936 jobs

Review of Financial Performance



Tom Rice
Executive Vice President
and Chief Financial
Officer

Summary of Financial Results



For Nine Months Ended June 30, 2025 - Comparison to Prior Year

- ▶ Higher sales volume for LPCs and Industries Directly Served
- ▶ Increased operating revenue driven by higher rates and sales volume
- ▶ Stronger operating cash flow supported by higher revenue collections
- ▶ Higher net income

Sales & Revenue

Power sales 3% higher driven by an increase in demand

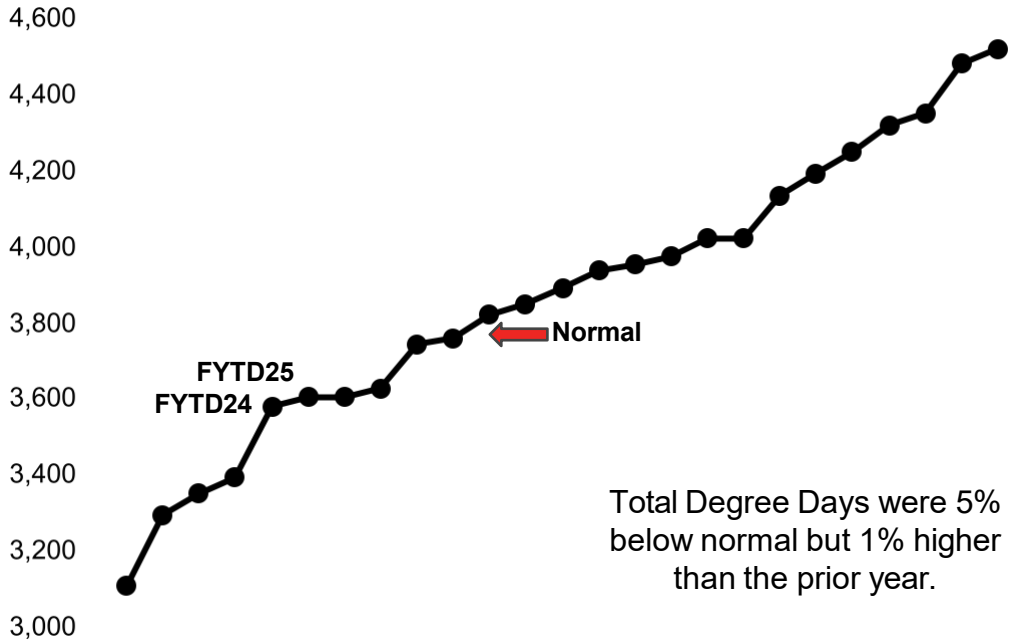


	FYTD25	FYTD24	Change	Percent Change
Power Sales (GWh)	120,527	117,313	3,214	2.7 %
Total Operating Revenues (\$ millions)	\$ 9,758	\$ 8,798	\$ 960	10.9 %
Base Revenue	6,688	6,196	492	7.9 %
Fuel Cost Recovery	2,924	2,455	469	19.1 %
Average Base Rate (¢/kWh)	5.6	5.3	0.3	5.7 %
Average Fuel Rate	2.4	2.1	0.3	14.3 %
Total Effective Rate*	8.0	7.4	0.6	8.1 %

Calculations may be impacted by rounding

*Excludes other revenue and off-system sales impact; total effective rate numbers based on unrounded base and fuel rates

Total Degree Days



Total Degree Days were 5% below normal but 1% higher than the prior year.

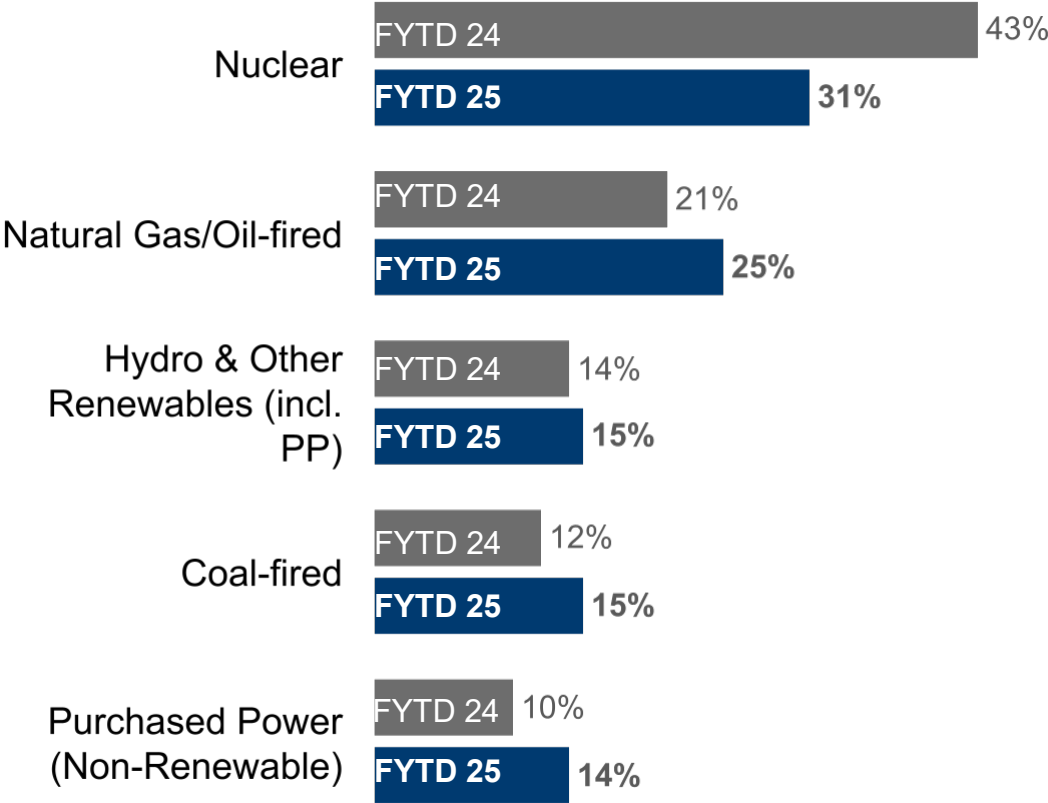
FYTD ranked 25-year history

Power Supply Summary - FYTD

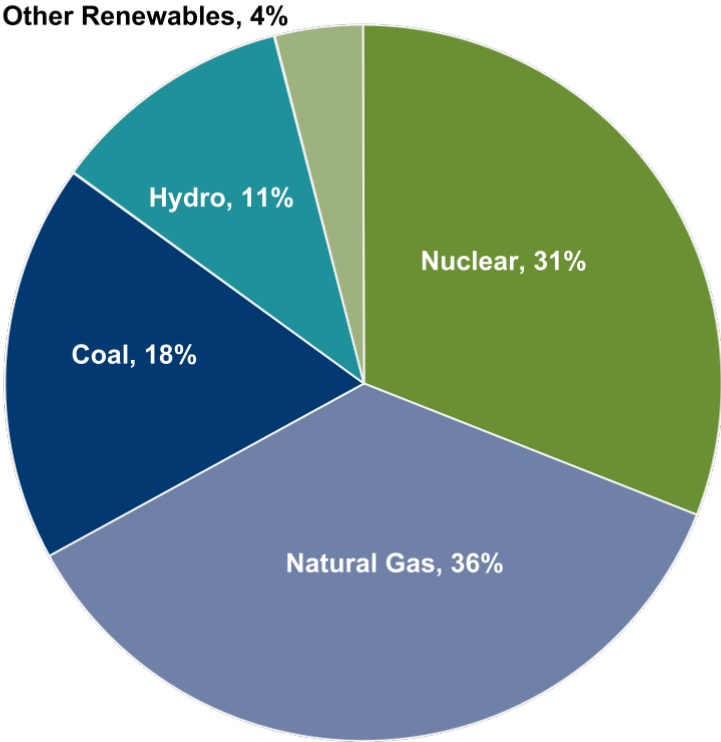
Benefiting from a diverse power system



Power Supply by Source



Power Supply FYTD 2025



Note: Chart depicts both generated and purchased power within respective resource types. For additional information, please see Total Power Supply by Generating Source in TVA's Quarterly Report on Form 10-Q.

Q3 Summary Income Statement



\$ million	FYTD25		FYTD24		Variance
Base Revenue	\$	6,688	\$	6,196	\$ 492
Fuel Revenue		2,924		2,455	469
Other Revenue*		146		147	(1)
Total Operating Revenue	\$	9,758	\$	8,798	\$ 960
Fuel & Purchased Power		3,190		2,700	490
Operations & Maintenance		2,771		2,671	100
Taxes, Depreciation, Other		2,172		2,017	155
Interest Expense		880		795	85
Net Income (Loss)	\$	745	\$	615	\$ 130

* Includes off-system sales and pre-commercial operations

Q3 Summary Cash Flow



\$ million

Net Cash Provided by / (Used in)	FYTD25		FYTD24		Variance
Operating Activities	\$	2,076	\$	1,939	\$ 137
Investing Activities		(3,628)		(2,546)	(1,082)
Financing Activities		1,551		607	944
Net Change in Cash	\$	(1)	\$	—	\$ (1)

Beginning Debt and Financing Obligations	\$	21,203	\$	20,525	\$	678
Change in Debt and Financing Obligations		1,656		642		1,014
Ending Debt and Financing Obligations	\$	22,859	\$	21,167	\$	1,692

See Appendix - Regulation G Reconciliation

Recap of Financial Results



For Nine Months Ended June 30, 2025 - Comparison to Prior Year

- ▶ Higher sales driven by increasing demand
- ▶ Increased operating revenue and operating cash flow
- ▶ Strong financial discipline
- ▶ Capital plan remains on track
- ▶ Planned cost reductions through the Enterprise Transformation Program
- ▶ Increased financing to support investment in America's energy future

Question & Answer Session





Appendix – Regulation G Reconciliation

		June 30, 2025	September 30, 2024	June 30, 2024
Total Outstanding Debt	\$	22,617	\$ 20,990	\$20,933
Exchange Gain - LT		48	62	91
Unamortized Discounts, Premiums, Issue Costs and Other		178	134	126
Debt of Variable Interest Entities		(1,716)	(939)	(957)
Bonds and Notes, Gross	\$	21,127	\$ 20,247	\$20,193
Membership Interests of Variable Interest Entity Subject to Mandatory Redemption		16	17	17
Debt of Variable Interest Entities		1,716	939	957
Total Debt and Other Financing Obligations, Gross ("TFO")	\$	22,859	\$ 21,203	\$21,167

Note numbers may be adjusted for rounding