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# First Quarter Fiscal Year 2026 Investor Webcast

February 3, 2026

# Introduction



**Clifton Lowry**  
**Vice President, Planning**  
**and Investor Relations**

# Agenda

## First Quarter Fiscal Year 2026 Review

- Don Moul, President and Chief Executive Officer

## Review of Financial Performance

- Tom Rice, Executive Vice President and Chief Financial Officer

## 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 first quarter ended Dec. 31, 2025. This presentation should be read in conjunction with TVA’s Form 10-Q Quarterly Report for the quarter ended Dec. 31, 2025, filed with the Securities and Exchange Commission.

# First Quarter Fiscal Year 2026 Review



**Don Moul  
President and  
Chief Executive Officer**



# Strong Winter Performance Amid Higher Demand



TVA provided affordable, reliable power during the beginning of the winter season, meeting growing demand with strong performance.



# Preparing for Higher Demand Growth

TVA projects sustained energy demand growth of about 2% annually over the next five years in our service area, driven by regional in-migration, economic development, and data center expansion.



Load has been adjusted for weather.

# Building America's Energy Future



## NEW GENERATION SINCE 2023

Paradise, Kentucky  
681 MW, frame combustion turbine

Colbert, Alabama  
681 MW, frame combustion turbine

Johnsonville, Tennessee  
530 MW, aeroderivative combustion turbine

## NEW GENERATION UNDER CONSTRUCTION

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

Cumberland, Tennessee  
1,450 MW, combined cycle

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

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

Shawnee, Kentucky  
100 MW, solar

Vonore, Tennessee  
20 MW / 40 MWh, battery storage

## POTENTIAL NEW GENERATION

North Alabama  
1,200 MW, hydro pumped storage

Middle Tennessee  
900 MW, proposed gas generation

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



# Advancing Nuclear Innovation

TVA is at the forefront of America's advancements in nuclear energy with its bold partnerships and the 3<sup>rd</sup> largest nuclear fleet in the United States, driving the nation's nuclear renaissance.



**NUCLEAR REGULATORY COMMISSION  
(NRC) GREENLIGHTS 20-YEAR LICENSE  
RENEWAL FOR BROWNS FERRY NUCLEAR  
PLANT**

## INVESTING IN SMALL MODULAR REACTOR (SMR) DEVELOPMENT



- TVA Board approved \$350M to advance reactor development
- Nation's first early site permit for SMRs from the NRC for the Clinch River Nuclear Site
- BWRX-300 reactor design under NRC review; potential construction permit by late 2026 or early 2027
- Selected by DOE to receive approximately \$400M to accelerate deployment of Gen III+ SMR
- ENTRAI Energy: collaboration to explore up to 6 NuScale SMRs (~6 GW total potential)

# Review of Financial Performance



**Tom Rice**  
**Executive Vice President**  
**and Chief Financial Officer**

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# Summary of Financial Results

For Three Months Ended December 31, 2025 - Comparison to Prior Year

- ▶ Higher sales volume driven by weather and higher sales to the data processing, hosting, and related services sector
- ▶ Increased operating revenue driven by higher sales volume
- ▶ Higher net income driven by higher base revenue and lower O&M spend

# Sales and Revenue

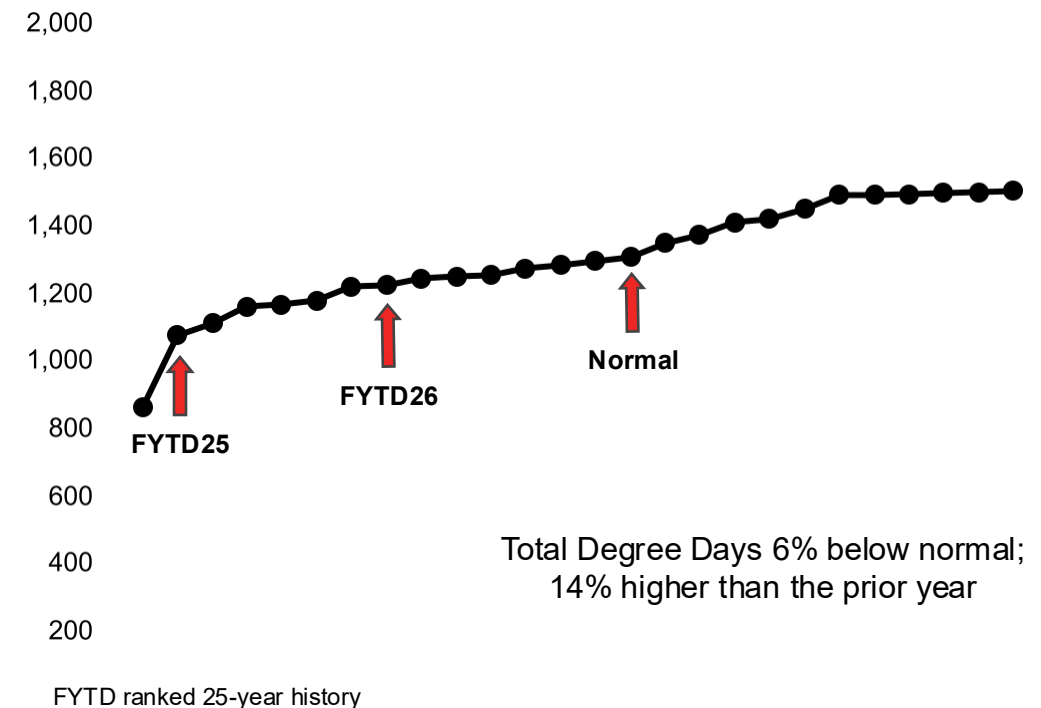
4% higher power sales due to weather impacts and system growth

	FYTD26	FYTD25	Change	Percent Change
Power Sales (GWh)	39,577	38,031	1,546	4.1 %
Total Operating Revenues (\$ million)	\$ 3,049	\$ 2,920	\$ 129	4.4 %
Base Revenue	2,197	2,045	152	7.4 %
Fuel Cost Recovery	802	830	(28)	(3.4)%
Average Base Rate (¢/kWh)	5.6	5.4	0.2	3.7 %
Average Fuel Rate	2.0	2.2	(0.2)	(9.1)%
Total Effective Rate*	7.6	7.6	—	— %

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

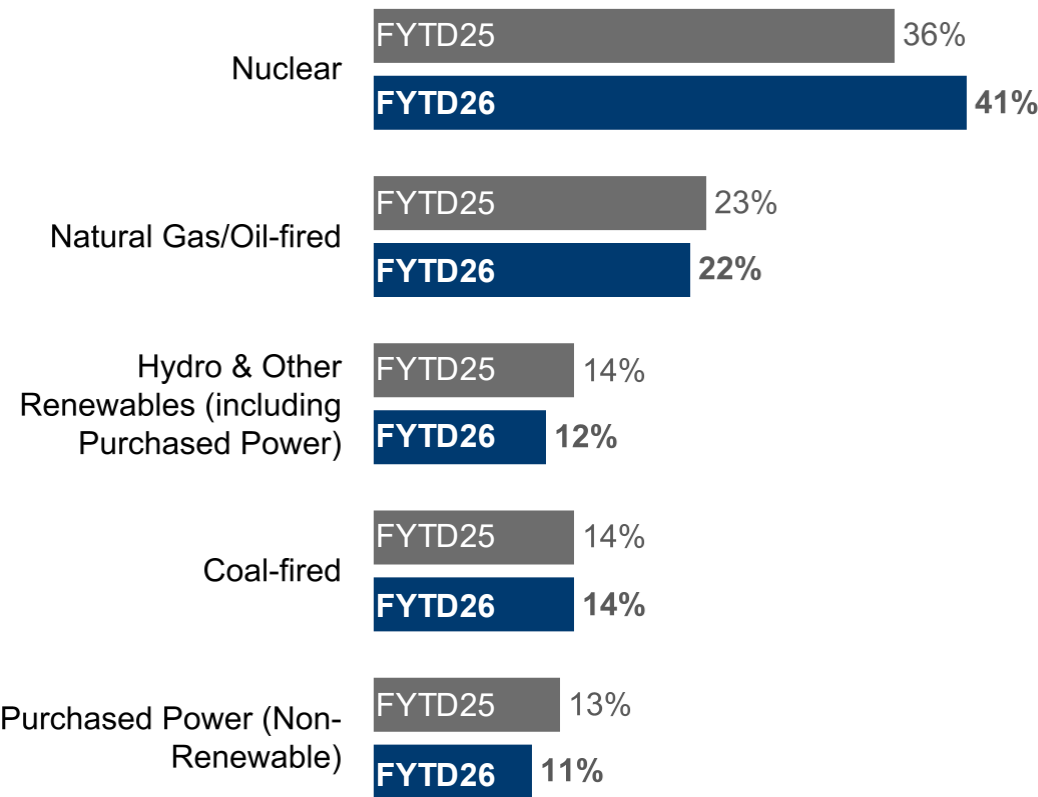
## Total Degree Days



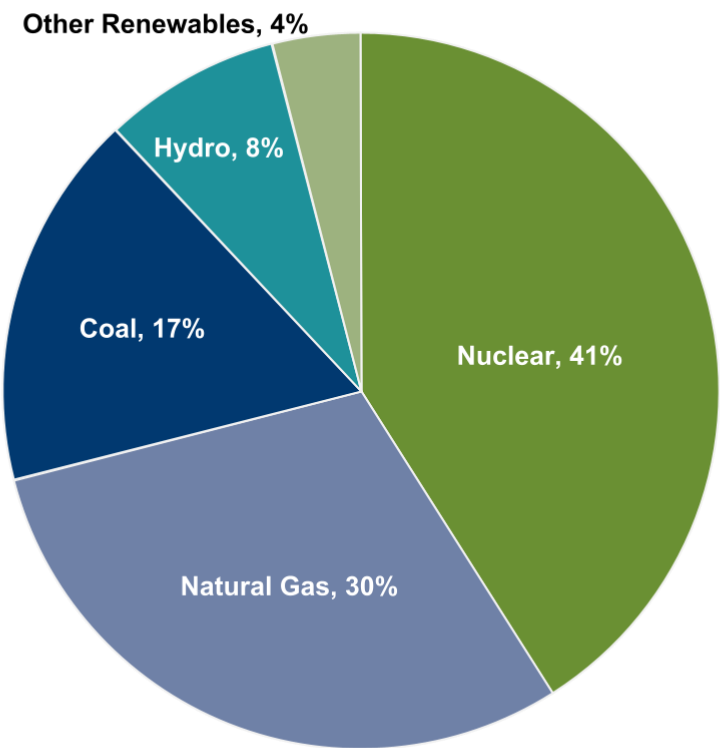
# Power Supply Summary

Benefiting from a diverse power system

Power Supply by Source



Power Supply FYTD 2026



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.



# Q1 Summary Income Statement

\$ million	FYTD26		FYTD25		Variance
Base Revenue	\$	2,197	\$	2,045	\$ 152
Fuel Revenue		802		830	(28)
Other Revenue*		50		45	5
<b>Total Operating Revenue</b>		<b>3,049</b>		<b>2,920</b>	<b>129</b>
Fuel & Purchased Power		924		899	25
Operations & Maintenance		849		905	(56)
Taxes, Depreciation, Other		701		711	(10)
Interest Expense		309		280	29
<b>Net Income</b>	<b>\$</b>	<b>266</b>	<b>\$</b>	<b>125</b>	<b>\$ 141</b>

\*Includes off-system sales and pre-commercial operations

# Q1 Summary Cash Flow

Net Cash Provided by / (Used in) (\$ million)	FYTD26	FYTD25	Variance
Operating Activities	\$ 330	\$ 450	\$ (120)
Investing Activities	(1,208)	(1,378)	170
Financing Activities	(197)	958	(1,155)
<b>Net Change in Cash</b>	<b>(1,075)</b>	<b>30</b>	<b>(1,105)</b>

<b>Beginning Cash, Cash Equivalents, and Restricted Cash</b>	<b>1,597</b>	<b>523</b>	<b>1,074</b>
Net Change in Cash, Cash Equivalents, and Restricted Cash	(1,075)	30	(1,105)
<b>Ending Cash, Cash Equivalents, and Restricted Cash</b>	<b>522</b>	<b>553</b>	<b>(31)</b>

<b>Beginning Debt and Financing Obligations</b>	<b>23,770</b>	<b>21,203</b>	<b>\$ 2,567</b>
Change in Debt and Financing Obligations	(180)	990	(1,170)
<b>Ending Debt and Financing Obligations</b>	<b>\$ 23,590</b>	<b>\$ 22,193</b>	<b>\$ 1,397</b>

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# Recap of Financial Results

- ▶ Higher sales driven by more typical weather and system growth
- ▶ Increased operating revenue, with operating cash flow impacted by timing of payments
- ▶ Diverse power system supporting affordability and reliability
- ▶ Executing capital investment plan

# Closing Remarks



**Don Moul  
President and  
Chief Executive Officer**



# Contact Information

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