

TVA NEWS RELEASE

TVA Reports Second-Quarter Fiscal Year 2026 Financial Results

- **Listen:** Click [here](#) to listen to TVA's second-quarter financial results webcast at 9:30 a.m. ET today or visit TVA's [Investor Relations website](#) for the recording and transcript. TVA's new Interim President and Chief Executive Officer, Mike Skaggs, and TVA's Chief Financial Officer, Tom Rice, will provide an update.
- **Strong Financial Performance:** TVA reported \$6.6 billion in total operating revenues through the second quarter of 2026, with sales of electricity up approximately 1% year-over-year.
- **Investing to Meet Growing Regional Energy Demand:** TVA continues one of the largest capital programs in its history, including 3,770 megawatts of new generation under construction, extending licenses at all three nuclear sites, and ongoing investments in long-term reliability.
- **Advancing U.S. Energy Leadership:** TVA is strengthening America's nuclear leadership by continuing to evaluate opportunities in new nuclear generation, engaging in groundbreaking industry partnerships, and positioning the Tennessee Valley region as a leading national hub for advanced nuclear technologies.

KNOXVILLE, Tenn. — The Tennessee Valley Authority reported \$6.6 billion in total operating revenues on nearly 82 billion kilowatt-hours of electricity sales for the six months ending Mar. 31, 2026. Total operating revenues increased 2% over the same period last year, primarily due to higher sales volume and higher fuel cost recovery rates. Sales of electricity increased approximately 1% compared to the same period last year, primarily driven by increases within the data processing, hosting, and related services sector.

On April 24, 2026, TVA's Board named Mike Skaggs as TVA's Interim President and Chief Executive Officer. He succeeds Don Moul, who announced his retirement early last month. In his new role, Skaggs is responsible for leading the nation's largest public power utility in its mission of serving the people of TVA's seven-state region.

"It is good to be back at TVA. I truly believe the TVA team is one of the most talented and dedicated groups in the utility industry — with broad energy experience, strong relationships and a solid leadership team that is focused on delivering results for

the more than 10 million people in our region,” said Mike Skaggs, TVA’s Interim Chief Executive Officer. “In the weeks ahead, my focus will be on listening, getting up to speed quickly, and ensuring we maintain the operational excellence that people throughout our seven-state region depend on every day. Strengthening relationships with our local power companies, directly served customers, and partners at every level remains a top priority.”

Skaggs continued, “TVA plays a vital role in America’s energy future. We will continue to support reliable growth across the region while maintaining strong financial performance. That includes evaluating opportunities in new nuclear generation, updating our long-range resource and strategic asset plans, and ensuring our rate structure continues to support load growth while protecting the Valley’s ratepayers.”

More on TVA’s second-quarter financial results:

Fuel and purchased power expense was \$144 million higher in the first six months of fiscal year 2026 over the same period of the prior year, primarily due to higher purchased power market prices and higher effective fuel rates as a result of higher natural gas prices. TVA’s diverse energy portfolio — including nuclear, natural gas, hydroelectric and other renewables, coal, and storage technologies — enabled us to maintain system reliability and successfully meet demand throughout the second quarter of fiscal year 2026.

Operating and maintenance expenses decreased by \$118 million over the same period last year, driven primarily by tax credits and lower payroll and benefit costs.

Depreciation and amortization expense was \$37 million lower than the same period last year, primarily due to the Browns Ferry Nuclear Plant license renewal.

Interest expense was \$44 million higher than in the same period last year, primarily driven by higher average balances and rates on long-term debt.

TVA’s net income was \$658 million for the six months ending on Mar. 31, 2026, \$125 million higher than the same period of the prior year, primarily due to higher operating revenues.

“TVA delivered a strong first half to fiscal year 2026. Financial discipline and our diverse generation portfolio enabled us to reinvest in critical infrastructure and maintain low rates for the people of the Tennessee Valley,” said Tom Rice, TVA’s Chief Financial Officer and Executive Vice President. “TVA’s mission of service remains unwavering, and we are delivering strong results. With demand rising across the Valley, we are executing one of the largest capital programs in our history — building 3,770 megawatts of new generation, extending licenses, and making other strategic asset decisions.”

Mike Skaggs named TVA’s Interim Chief Executive Officer

Skaggs has a strong understanding of TVA’s important role in powering the Tennessee Valley region. Having served as TVA’s Chief Operating Officer (COO) from 2018 to 2021, he played key roles in some of the agency’s most significant nuclear milestones, including the completion and startup of Watts Bar Nuclear Plant Unit 2, restoration of a Browns Ferry unit, and successful management of two major steam generator replacement projects. His leadership and deep knowledge of nuclear generation align directly with TVA’s strategic focus on expanding and modernizing its nuclear fleet to support the region’s growing energy needs. Skaggs joined TVA in 1994 as a project manager at Watts Bar Nuclear Plant and held multiple executive leadership positions across nuclear operations and construction. His assignments included roles in TVA’s corporate offices as well as at the Browns Ferry, Sequoyah, and Watts Bar nuclear stations, where he helped strengthen performance, enhance operational discipline, and deliver complex capital projects safely and efficiently.

TVA’s second-quarter fiscal year 2026 results will be shared during a webcast at 9:30 a.m. ET today. Please click [here](#) to join the webcast. A replay and transcript will also be available for one year on TVA’s website at <https://www.tva.com/investors>.

Selected Financial Data – Six Months Ended Mar. 31		
Sales, Revenues & Expenses	2026	2025
Sales (millions of kWh)	81,543	80,776
Operating Revenues (\$ millions)	\$ 6,595	\$ 6,452
Fuel & Purchased Power Expense	2,195	2,051
Operating & Maintenance Expense	1,731	1,849
Interest Expense	617	573
Net Income	658	533
Net Cash Provided by / (Used in) (\$ millions)		
Operating Activities	\$ 1,106	\$ 1,461
Investing Activities	(2,119)	(2,582)
Financing Activities	(62)	1,145

TVA's quarterly report on Form 10-Q provides additional financial, operational, and descriptive information, including unaudited financial statements for the quarter ending on Mar. 31, 2026. TVA's quarterly report and other SEC reports are available without charge on TVA's website at <https://www.tva.com/investors>, on the SEC's website at <https://www.sec.gov>.

This release may contain forward-looking statements relating to future events and future performance. Although TVA believes that the assumptions underlying these statements are reasonable, numerous factors could cause actual results to differ materially from those in the forward-looking statements. Please refer to TVA's most recent annual report on [Form 10-K](#) and quarterly report on [Form 10-Q](#) for a discussion of factors that could cause actual results to differ from those in the forward-looking statements.

TVA is a corporate agency of the United States, receiving no taxpayer funding, deriving virtually all its revenues from sales of electricity. TVA maintains some of the lowest energy costs and highest reliability in the nation. TVA's residential rates are lower than those paid by over 80% of customers of the top 100 U.S. utilities, and its industrial rates are lower than those paid by over 90% of customers of the top 100 U.S. utilities. In addition, TVA provides flood control, navigation, and land management for the Tennessee River system, and assists local power companies and state and local governments with economic development and job creation. Learn more at TVA.com.

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