



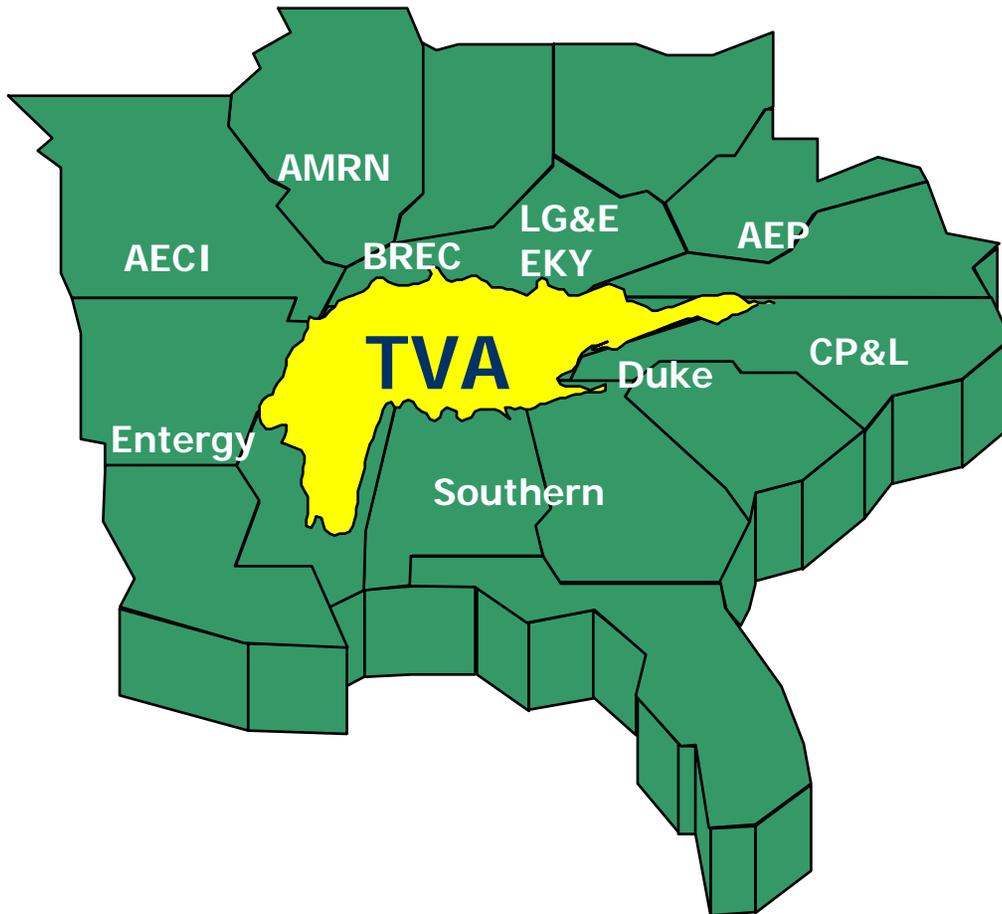
DNA of Historical Outages



- Trees
- Tools
- Training



TVA Power System



- 80,000 Square-Mile Region
- 17,000 Miles of Line
- 1,015 Substations & Connection Points
- ¼ Million Right-of-Way Acres
- 8.3 Million Consumers

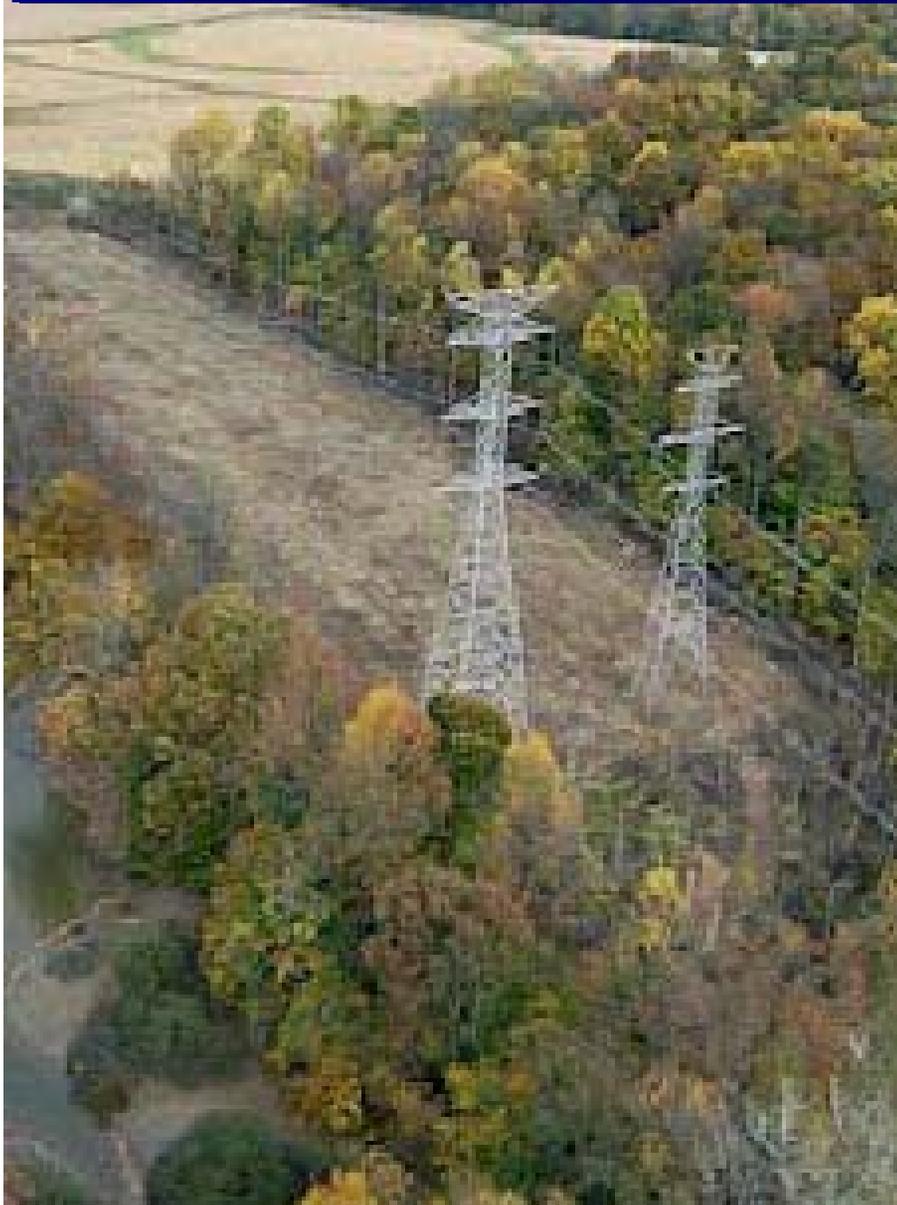
Peak Demand

Summer 29,344 MW

Winter 29,866 MW



Trees—Managing Vegetation



- Focusing on 230-kV & above lines & interties
- Up to ½ million trees will be removed this fiscal year
- Set record of 176 days without a tree contacting any line
- Filed FERC vegetation management report



Tools—Building Infrastructure

In FY '03 TVA added:

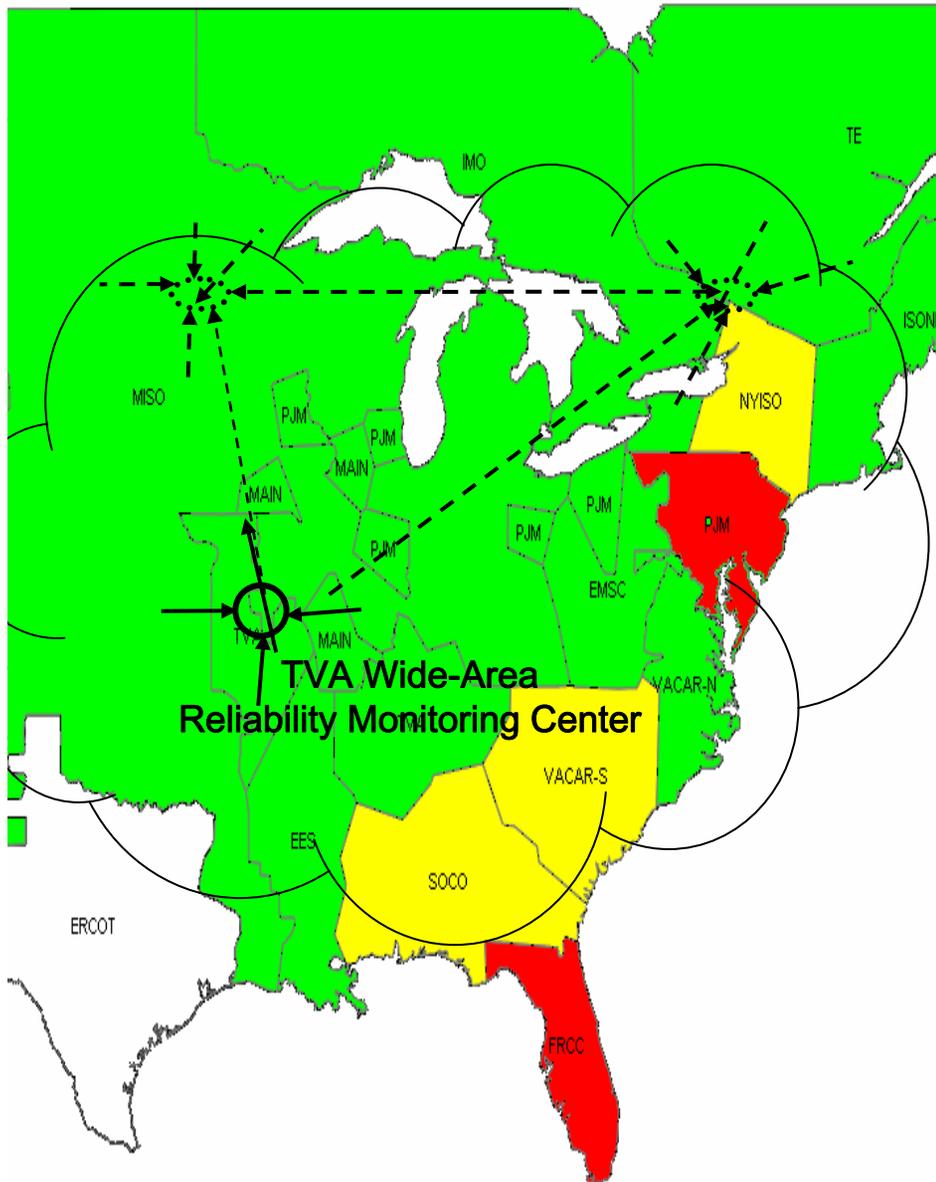
- 140 miles of new transmission line
- 3 substations & 2 switching stations
- 34 new delivery points

\$1.25 billion
invested since 1996





Tools—Increasing Grid Visibility



Good Decisions From a Sea of Data, Alarms & Indicators

- Power World simulator shows real-time flows
- PSOP shows real-time generator/transmission/interchange/customer data
- Data Exchange Agreements: TVA/Entergy/Southern & TVA/PJM/MISO
- Phasor Measurement Units will extend visibility across Eastern Interconnection



Training—Engaging Employees

- Conducted at fully redundant backup control center
- Installing full-function control room simulator
 - Operations training
 - Emergency training
- Training Program acknowledged in NERC Readiness Audit

