

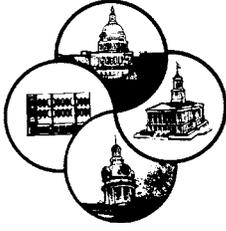
Report of the Tennessee Advisory Commission on Intergovernmental Relations



Tennessee Valley Authority's Payments in Lieu of Taxes
Annual Report to the Tennessee General Assembly



January 2023



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Tennessee Valley Authority's Payments in Lieu of Taxes

Annual Report to the Tennessee General Assembly

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January 26, 2023

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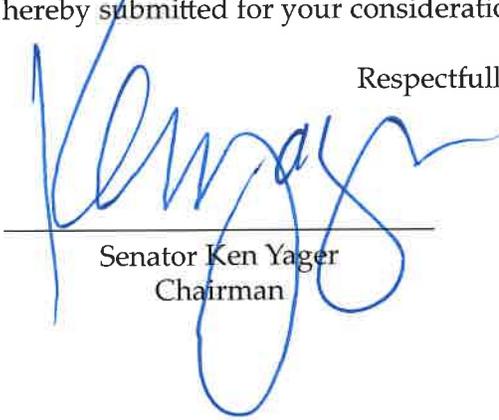
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Dear Chairmen:

Transmitted herewith is the Commission's annual report evaluating the effect of Section 4 of Public Chapter 475, Acts of 2009, (the Electric Generation and Transmission Cooperative Act) as amended in Public Chapter 1035, Acts of 2010, on the Tennessee Valley Authority's payments in lieu of taxes with specific attention to changes in TVA's generating system. The Commission approved the report on January 26, 2023, hereby submitted for your consideration.

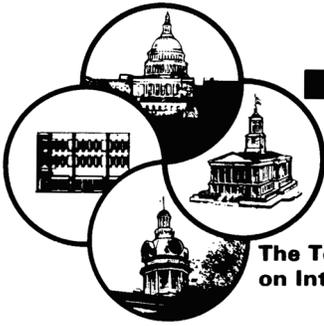
Respectfully yours,



Senator Ken Yager
Chairman



Cliff Lippard
Executive Director



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MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard *Cliff*
Executive Director

DATE: 26 January 2023

SUBJECT: Tennessee Valley Authority Payments in Lieu of Taxes—Annual Report for Approval

The attached Commission report is submitted for your approval. The report responds to Public Chapter 475, Acts of 2009, which directed the Commission to monitor changes in the wholesale distribution of electric power by the Tennessee Valley Authority (TVA) and its distributors for possible effects on the Authority's payments in lieu of taxes (PILOT) to the states in the Valley region, and to Public Chapter 1035, Acts of 2010, which made the report an annual requirement.

The 2010 law also requires payments equivalent to TVA's PILOT from any other entity providing wholesale electric current for resale within the state; these payments are added to those received from TVA and distributed through the state's TVA PILOT distribution formula. The 2010 law was designed to ensure that revenue from power sales in the TVA region would not depend on who produced or who sold power. For the first time since the law was enacted, some distributors in TVA's service area in Tennessee are purchasing a portion of their power from entities other than TVA. Tennessee Department of Revenue staff are working to clarify aspects of the 2010 law's implementation related to the required payments. As of January 2023, no payments pursuant to that law had been made to the state.

There are no recommended actions to be taken by the General Assembly in this year's report.

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Tennessee Valley Authority's Payments in Lieu of Taxes

The Tennessee Advisory Commission on Intergovernmental Relations was directed by the Electric Generation and Transmission Cooperative Act of 2009 (Section 4 of Public Chapter 475, Acts of 2009) to monitor changes in the wholesale distribution of electric power by the Tennessee Valley Authority (TVA) and its distributors for possible effects on the Authority's payments in lieu of taxes (PILOTs) to the states in the Valley region. The Commission's report was to "include recommendations, if any, on adjustments to the state tax system that would keep the state and local governments whole from such future changes." The Act authorized the creation of nonprofit membership cooperatives to generate and transmit electricity in Tennessee. At the time, one such co-op already owned a power-generating facility in Mississippi, and the legislature was concerned that, having authorized them, they had opened the door to a potential decline in TVA's payments to the states if the co-ops began selling electricity directly to distributors.

After considering a number of options, including those developed by the Commission,¹ the Tennessee General Assembly passed Public Chapter 1035, Acts of 2010, requiring payments equivalent to TVA's Tennessee PILOT from any other entity providing wholesale electric current for resale within the state, such as the electric generation and transmission cooperatives authorized in 2009; any payments made under the 2010 law are added to those received from TVA and distributed through the state's TVA PILOT distribution formula. Public Chapter 1035 was designed to ensure that revenue from power sales in the TVA region would not depend on who produced that power or who sold it, and the Act put to rest immediate concerns about the potential loss of TVA revenue created by the 2009 law. The Act also renewed the requirement that the Commission monitor changes in wholesale power supply arrangements in TVA's service area that could affect TVA's payments to the state and its local governments and report to the General Assembly annually. This is the Commission's report for the 2023 legislative session.

TVA's total PILOT is based on 5% of prior-year gross proceeds² from power sales, and funds are divided among the eight states in which TVA owns power property³ based both on revenues from power sold by TVA and on the value of TVA power property located in each state. Although TVA buys power from other sources, those purchases do not affect the amount

TVA's payments in lieu of taxes to Tennessee are estimated to increase by \$65 million in federal fiscal year 2022-23, primarily because increased fuel costs—which TVA passes on to customers—led to an increase in TVA revenue.

¹ Tennessee Advisory Commission on Intergovernmental Relations 2010.

² TVA interprets "gross proceeds" as the proceeds from the sale of power to municipalities, cooperatives, and industries. The TVA Act specifically excludes TVA's sales to federal agencies from the PILOT calculation.

³ TVA interprets "power property" to include facilities that generate electricity, property used to transmit electricity, coal assets, and a portion of the overall value of TVA's reservoir properties.

Some TVA distributors are authorized to obtain a portion of their electricity from entities other than TVA, which could reduce TVA revenue and the PILOT. Power these distributors purchase from entities other than TVA would be subject to the equivalent in lieu of tax payments required under Public Chapter 1035, Acts of 2010.

each state receives from its PILOTs. See appendix A for an explanation of TVA's allocation formula.

Provisions in wholesale power contracts that 147 of TVA's 153 distributors have signed reduce TVA's power revenue and, therefore, the PILOT. In particular, provisions in these contracts grant distributors flexibility to obtain renewable energy from sources other than TVA. Power these distributors purchase from entities other than TVA would be subject to the equivalent payments required under Public Chapter 1035, Acts of 2010. Only one distributor in Tennessee purchased power from an entity other than TVA in federal fiscal year 2021-22. Prior to this distributor, it appears no others had done so, and Tennessee Department of Revenue staff are working to clarify aspects of the 2010 law's implementation related to required payments. As of January 2023, no payments pursuant to the 2010 law had been made to the state.

The wholesale power contracts for these 147 distributors also include rebates that have reduced revenue TVA otherwise would have received. Additionally, pandemic relief credits available to all TVA distributors reduced revenue in federal fiscal year 2020-21 and 2021-22 and have been extended for 2022-23.⁴

Changes in TVA's customer base are also among the factors that could affect the PILOT. This year the addition of a large new customer—a data center in North Carolina—increased TVA's revenue from that state, one of two factors determining each state's share of the PILOT, shifting the balance of payments away from Tennessee slightly.⁵ Additionally, it is possible that distributors might opt out of their TVA contracts and obtain power from other sources, thereby reducing TVA revenue and the PILOT. A few distributors in Tennessee have recently considered whether to leave the system. If a Tennessee distributor were to leave the TVA system, the overall effect on state and local revenue from TVA's PILOT and the equivalent payments required under the 2010 law would depend in part on the cost of wholesale power the distributor purchases from other providers. Regardless, local governments in the distributor's service area would see their share of this revenue decrease.

Changes in TVA's supply system continue to affect the balance of PILOTs across the region. TVA has retired numerous coal-fired units at its power plants since 2012 while completing a second nuclear reactor at its Watts Bar facility in Rhea County and building or acquiring several new natural gas-fired facilities. In the states where these new or retired facilities are located, the changes have affected the value of TVA power property, the other factor determining each state's share of the PILOT. In each of the last

⁴ Tennessee Valley Authority 2022a.

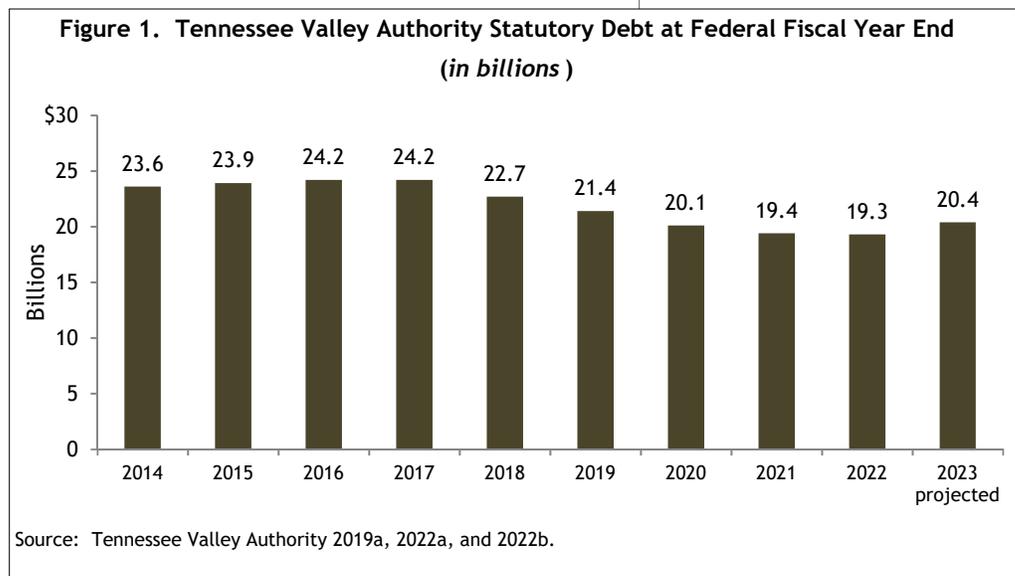
⁵ Email from Josh Tester, accounting policy and research program manager, Tennessee Valley Authority, December 14, 2022.

two years, the balance of the PILOT shifted away from Tennessee slightly because of TVA's investments in other states—Alabama and Kentucky in particular—combined with the accelerated depreciation of TVA's Bull Run plant in Anderson County in anticipation of its 2023 retirement. These changes were only partially offset by investments at TVA's facilities in Tennessee, including at its Johnsonville plant in Humphreys County. As a result, the value of TVA power property in Tennessee decreased relative to other states.⁶

TVA's decision to make many of these changes predates but is consistent with the management strategy laid out in its 2019 Integrated Resource Plan (IRP).⁷ The 2019 IRP calls for closing a number of old coal-fired generating plants, continuing to use existing nuclear-powered facilities, building or acquiring plants powered by natural gas, expanding solar power capacity as well as other renewables, and encouraging more energy efficiency. The plan's strategies for increasing energy efficiency, if successful, could reduce TVA revenues and ultimately the PILOT for all recipients, as could other factors, such as the economy and the weather.

Concerns about the problems created by TVA's debt ceiling, which has not been raised since 1979,⁸ and the threat of privatization reappear from time to time. Both were among the reasons given by power distributors in the region for seeking authorization to form the generation and transmission cooperatives authorized by the 2009 Act. TVA's debt ceiling remains \$30 billion, which because of inflation now has the approximate buying power that \$8 billion would have had in 1979,⁹ but the threat of privatization has diminished at least for the time being.¹⁰ Figure 1 shows the level of TVA's debt since 2014.

The first distributor in Tennessee to purchase power from an entity other than TVA began doing so in federal fiscal year 2021-22. The Tennessee Department of Revenue is clarifying aspects of Public Chapter 1035's implementation related to required payments; no payments have been made as of January 2023.



⁶ Emails from Rebecca Jones, Tennessee Valley Authority, December 23, 2021, and Betsy Hopson taxes program manager, Tennessee Valley Authority, January 7, 2022. For Bull Run retirement see Tennessee Valley Authority 2021a.

⁷ Tennessee Valley Authority 2019c.

⁸ 16 United States Code 831 n-4(a).

⁹ US Department of Labor, Bureau of Labor Statistics "PPI Commodity Data for Fuels and Related Products and Power: Electric Power." If the \$30 billion debt ceiling had been increased for inflation, it would have been \$111 billion at the end of federal fiscal year 2022.

¹⁰ Sher 2018 and Collins 2018.

Tennessee continues to receive more than 67% of the payments TVA distributes to states in the region, though its percentage decreased for the second straight year.

To manage within its \$30 billion debt limit, TVA has adopted a number of innovative but by its own account costly financing techniques, some of which can alter the amount of PILOT revenue paid directly to states. The lease-and-lease-back technique used so far to finance the expansion of power production in Tennessee does not affect the amount of the PILOT paid directly to Tennessee, but the sale-and-lease-back technique used at one of its plants in Mississippi reduced the amount paid directly to that state, and the potential for the same exists throughout the region. The difference is in who owns the property and whether it is subject to state and local taxes.

None of these issues appear to warrant legislative action at this time but should continue to be monitored.

TVA Payments in Lieu of Taxes Increased as a Result of Higher Natural Gas Prices

TVA's actual payments in lieu of taxes for federal fiscal year 2021-22 amounted to \$512 million, of which \$345 million was paid to Tennessee governments, including \$3.4 million in direct payments to counties. This was an increase of \$12 million over payments to all states in the previous fiscal year.¹¹ Payments for the current fiscal year, federal fiscal year 2022-23, are estimated to increase \$99 million to a total of \$611 million. The increase resulted primarily from increases in TVA's fuel costs for generating electricity because of higher natural gas prices; TVA passes these fuel costs on to customers, thereby increasing TVA revenue.¹² TVA revenues increased despite the extension of its COVID-19 pandemic recovery credits, which reduced revenue by \$228 million and have been extended for another year.¹³

Payments to Tennessee are estimated to increase by \$65 million to a total of \$410 million, of which \$3.4 million will again be paid directly to counties, in federal fiscal year 2022-23.¹⁴ For the second consecutive federal fiscal year, Tennessee's percentage of the Authority's overall payments decreased, though it remains above 67%. This decrease is likely attributable to decreases in both the state's share of TVA's power revenue and the value of TVA power property.¹⁵ Past increases in this percentage helped offset

¹¹ Tennessee Valley Authority 2022a. See also letter from Josh Tester, program manager, accounting policy and research, Tennessee Valley Authority, to Amanda McGraw, chief financial officer, Tennessee Department of Revenue, November 2, 2022.

¹² Tennessee Valley Authority 2022a. Federal fiscal year 2022-23 PILOT estimate provided by TVA; email from Josh Tester, program manager, accounting policy and research, November 3, 2022. See table 1 for previous fiscal year.

¹³ Tennessee Valley Authority 2022a.

¹⁴ Letter from Josh Tester, program manager, accounting policy and research, Tennessee Valley Authority, to Amanda McGraw, chief financial officer, Tennessee Department of Revenue, November 2, 2022.

¹⁵ Email from Josh Tester, program manager, accounting policy and research, Tennessee Valley Authority, December 14, 2022. See table 1 for previous years.

what would have otherwise been larger decreases in TVA's payments to Tennessee, most recently in federal fiscal years 2020-21. See table 1.

Table 1. Tennessee Valley Authority Revenue Sharing
Distribution to Tennessee by Federal Fiscal Year (in millions)

	2022-23*	2021-22	2020-21	2019-20	2018-19	2017-18
TVA's Overall PILOT	\$ 610.8	\$ 512.0	\$ 499.6	\$ 551.7	\$ 547.7	\$ 523.7
Tennessee's Percent	x 67.13%	67.40%	67.96%	67.58%	67.06%	66.33%
Tennessee's Amount	\$ 410.0	\$ 345.1	\$ 339.5	\$ 372.8	\$ 367.3	\$ 347.4
Direct Payment to Counties	- 3.4	3.4	3.4	3.4	3.4	3.4
Tennessee's Share	\$ 406.6	\$ 341.7	\$ 336.1	\$ 369.4	\$ 363.9	\$ 344.0

* Estimate based on unaudited gross receipts. TVA distributes payments monthly from October through August based on this estimate, then makes a final payment for the fiscal year in September based on audited revenue figures. It is not unusual for the final payment to be adjusted upward from the original estimated amount.

Note: Share distributed to Tennessee may not equal amount allocated to state minus direct payments to counties because of rounding.

Source: Tennessee Valley Authority.

Tennessee's local governments continue to receive more than 40% of the amount TVA allocates to Tennessee for distribution through the state's own formula. Under Tennessee Code Annotated, Section 67-9-101 et seq., this formula distributes a portion of Tennessee's share to cities and counties with additional payments set aside for local governments in counties with TVA construction. The rest is reserved for the state. Distributions through the formula, which are calculated on a state fiscal year basis, are directly affected by the increasing total payment to Tennessee in federal fiscal year 2022-23 and by TVA construction projects. See appendix B for an explanation of Tennessee's allocation formula.

For state fiscal year 2022-23, allocations—excluding impact payments that are set aside for local governments in counties with TVA construction—will increase by an estimated \$15.4 million for counties, by \$6.6 million for cities, and by \$24.4 million for the state's own agencies. Impact payments related to TVA construction will increase by \$2.2 million for counties and by \$498,000 for cities, mostly because of a new steam generator replacement project at the Watts Bar nuclear plant.¹⁶ While combined these amounts are an increase of \$49 million, they total less than the estimated increase in payments to Tennessee for federal fiscal year 2022-23 because the state's fiscal year begins on July 1, three months earlier than the federal fiscal year. As a result, Tennessee's distribution to local governments and the state for state fiscal year 2022-23 includes TVA's payments for the last three months of federal fiscal year 2021-22 when the PILOT's increase was smaller. See appendixes C and D for the distribution to local governments within the state by county and city since state fiscal year 2015-16, excluding

On a state fiscal year basis, allocations through Tennessee's TVA PILOT distribution formula—excluding impact payments for local governments in counties with TVA construction—will increase by \$15.4 million for counties, by \$6.6 million for cities, and by \$24.4 million for the state's own agencies in 2022-23.

¹⁶ Letter from Dan Pratt, TVA Senior Vice President of Regional Relations, to Commissioner David Gerregano, Tennessee Department of Revenue, May 24, 2022. (Received by TACIR staff December 21, 2022.)

impact payments set aside for local governments in counties with TVA construction, which can be found in appendixes E and F.

TVA's Efforts to Meet Power Needs and Remain Within Its Debt Limit

To meet the region's power demand, TVA must plan for both short-term and long-term fluctuations in the use of electricity while staying within its statutory debt limit of \$30 billion. The Authority has developed a number of strategies for managing its system to meet demand within these constraints. These strategies have and will continue to affect TVA's payments to Tennessee.

Short-Term System-Management Strategies

TVA traditionally meets short-term demand increases that result from extreme weather by operating additional facilities that are used only in times of high demand, purchasing power from other utilities, and cutting off power to customers with interruptible contracts that allow TVA and its distributors to interrupt service to them during emergencies¹⁷ in exchange for credits on their power bills.¹⁸ While these strategies have enabled TVA to meet previous record-setting power demands,¹⁹ the fast-moving blast of arctic air that swept most of the country on December 23 and 24, 2022, caused TVA to direct its distributors to reduce their power loads, resulting in intermittent blackouts, including for many customers who did not have interruptible contracts. When demand peaked on December 23 at 33,425 megawatts, coal-fired units at TVA's Cumberland and Bull Run plants were at least partially offline.²⁰ TVA also experienced outages at some of its natural gas facilities, as well as "issues with third-party contracted plants that are supposed to provide extra supply."²¹ According to *The Tennessean*, "Demand for energy ran nearly 35% higher than expected on a normal winter day, while at the same time a few of [TVA's] coal and gas energy facilities were down because of the freezing temperatures."²² Extreme weather—in particular, prolonged periods of hotter or colder than normal temperatures—can affect the amount and distribution of TVA's payments to the states, though individual events may be too short-lived to have a noticeable effect.

Long-Term System-Management Strategies

TVA's long-term management strategies are laid out in its most recent Integrated Resource Plan, which was approved by the TVA Board in

¹⁷ Flessner 2014.

¹⁸ Tennessee Valley Authority 2011.

¹⁹ See Flessner 2014 and 2018.

²⁰ Eggers 2022.

²¹ Hardiman 2022.

²² Timms and Friedman 2022.

TVA's strategies to manage both short- and long-term fluctuations in the use of electricity while staying within its statutory debt limit of \$30 billion could affect the amount and distribution of the Authority's payments.

August 2019.²³ The plan, a response to changes in the utility industry including lower-cost natural gas and renewables as well as increased energy conservation efforts,²⁴ analyzed five strategies for meeting demand within six future scenarios (see figure 2).

Figure 2. Planning Scenarios and Strategies Used in TVA's 2019 IRP

SCENARIOS		STRATEGIES	
1	CURRENT OUTLOOK which represents TVA's current forecast for these key uncertainties and reflects modest economic growth offset by increasing efficiencies;	A	BASE CASE which represents TVA's current assumptions for resource costs and applies a planning reserve margin constraint. This constraint applies in every strategy and represents the minimum amount of capacity required to ensure reliable power;
2	ECONOMIC DOWNTURN which represents a prolonged stagnation in the economy, resulting in declining loads (customers using less power) and delayed expansion of new generation;	B	PROMOTE DISTRIBUTED ENERGY RESOURCES which incents DER to achieve higher, long-term penetration levels. The DER options include energy efficiency, demand response, combined heat and power, distributed solar and storage;
3	VALLEY LOAD GROWTH which represents economic growth driven by migration into the Valley and a technology-driven boost to productivity, underscored by increased electrification of industry and transportation;	C	PROMOTE RESILIENCY which incents small, agile capacity to maximize operational flexibility and the ability to respond to short-term disruptions on the power system;
4	DECARBONIZATION which is driven by a strong push to curb greenhouse gas emissions due to concern over climate change, resulting in high CO ₂ emission penalties and incentives for non-emitting technologies;	D	PROMOTE EFFICIENT LOAD SHAPE which incents targeted electrification (by incentivizing customers to increase electricity usage in off-peak hours) and demand response (by incentivizing customers to reduce electricity usage during peak hours). This strategy promotes efficient energy usage for all customers, including those with low income;
5	RAPID DER ADOPTION which is driven by growing consumer awareness and preference for energy choice, coupled with rapid advances in technologies, resulting in high penetration of distributed generation, storage and energy management;	E	PROMOTE RENEWABLES which incents renewables at all scales (from utility size to residential) to meet growing or existing consumer demand for renewable energy.
6	NO NUCLEAR EXTENSIONS which is driven by a regulatory challenge to relicense existing nuclear plants and construct new, large-scale nuclear. This scenario also assumes subsidies to drive small modular reactor (SMR) technology advancements and improved economics.		

Source: Tennessee Valley Authority 2019c.

These strategies could affect the amount and distribution of the Authority's payments to the states in the future. TVA has been continually updating its generating system to meet the needs of the region's growing economy and tighter air-quality standards. As early as the 1960s and 1970s, TVA was investing heavily in nuclear power for both of these reasons. More recently, the Authority has invested in natural gas-powered facilities to meet periodic surges in demand caused by the weather. TVA's

²³ Tennessee Valley Authority 2019c; and Tennessee Valley Authority "2019 Integrated Resource Plan."

²⁴ Tennessee Valley Authority 2019d.

The sale-and-lease-back technique used at one of TVA's plants in Mississippi reduced the amount paid to the state, and the potential for similar arrangements exists throughout the region.

implementation of its long-term management strategies, which will affect the distribution of its PILOT, will be affected by the economics of power production and the requirements of the Clean Air Act (CAA) and other environmental regulations as well as TVA's debt limit.

TVA's Debt Limit and Financing Arrangements

Earlier concerns about TVA's financing arrangements for new generating capacity in the region and their potential effects on PILOTs in the region and across the state have diminished as the Authority has modified its strategies. In order to stay within the \$30 billion debt ceiling imposed on it by the Congress in 1979,²⁵ TVA began using new financing methods,²⁶ some of which affected the distribution of PILOT funds for some states, including the amount those states had available to allocate to their counties and cities. One technique is the leasing of generating facilities, an approach TVA has no current plans to expand.²⁷

Shortly before the Electric Generation and Transmission Cooperative Act was passed in 2009, TVA entered into an agreement with a group of its distributors organized as the Seven States Power Corporation, a nonprofit company.²⁸ Seven States purchased an interest in TVA's Southaven, Mississippi, power plant with the agreement that TVA would continue to operate it. TVA later bought back all of Seven States' interest in the plant.²⁹ Under the sale-and-lease-back arrangement, while it was active, all sales of electricity produced at Southaven were through TVA and, therefore, were accounted for as TVA revenues and subject to the PILOT allocation to states.

Leasing arrangements such as the one used in Southaven during this agreement do not change the total amount of the PILOT under the TVA formula, nor do they change the allocation across states. Section 15d(g) of the Tennessee Valley Authority Act of 1933 says that

. . . power generating and related facilities operated by the Corporation under lease and lease-purchase agreements shall constitute power property held by the Corporation within the meaning of section 13 of this Act . . .

This provision causes facilities operated by TVA under leases to be included in the calculation of the value of power property under Section 13, which means that the value of TVA property in a state does not change

²⁵ 16 United States Code 831 n-4(a).

²⁶ US General Accounting Office 2003.

²⁷ Email from Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 29, 2019. For details on existing lease arrangements, see Tennessee Valley Authority 2022a.

²⁸ Tennessee Valley Authority 2009.

²⁹ Tennessee Valley Authority 2013a.

when TVA sells a facility and then leases it back as the Authority did with Southaven. Moreover, this means that when TVA leases a facility that it did not previously own, such as the Caledonia plant in Mississippi, the value of TVA power property in the state where the facility is located increases.

Although the change in ownership of the Southaven plant did not affect the amount of TVA's PILOT allocated to each state, it did affect the PILOT distribution to the state of Mississippi. When TVA leases power property owned by other entities, it reduces the PILOT distributed to the state in which the property is located to the extent that it reimburses the plant owners for taxes they must pay to the state or local governments. This reduces the amount of TVA PILOT that goes through the state's own allocation formula. Section 15d(g) of the 1933 act goes on to say

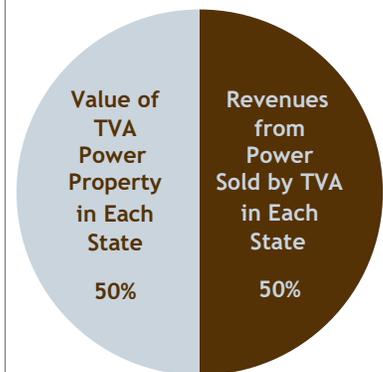
. . . that portion of the payment due for any fiscal year under said section 13 to a state where such facilities are located which is determined or estimated by the Board to result from holding such facilities or selling electric energy generated thereby shall be reduced by the amount of any taxes or tax equivalents applicable to such fiscal year paid by the owners or others on account of said facilities to said state and to local taxing jurisdictions therein.

The initial sale-and-lease-back arrangement at the Southaven plant and the Authority's current lease arrangement at the privately-owned Caledonia plant, also in Mississippi, illustrate the effect of this second provision. Privately owned plants are subject to state and local taxes. Consequently, the portion of the TVA PILOT paid directly to Mississippi, related to Caledonia, was reduced by approximately \$1.0 million in federal fiscal year 2021-22 and will be reduced by an estimated \$1.3 million in 2022-23.³⁰ This works much like the \$3+ million in direct payments TVA makes to counties in Tennessee. Direct payments are taken off the top of TVA's PILOT to each state, reducing the amount allocated through the state's statutory formula.

The amount allocated through Tennessee's formula, including the amount retained by the state in its general fund, would be reduced by any taxes paid on account of any plant operated through a sale-and-lease-back arrangement if that were to occur. Tennessee might want to mitigate that reduction by modifying its allocation formula to offset the direct payments of taxes by, for example, reducing the allocation to any particular jurisdiction by the amount of the reimbursement TVA made to the plant owners. It is possible, of course, that the reimbursement amount to those jurisdictions could be greater than the allocation through the state formula, so considerable thought would need to go into making such a change.

³⁰ Email from Josh Tester, accounting policy and research program manager, Tennessee Valley Authority, November 3, 2022; and Schoolfield 2017.

5% of TVA's Gross Proceeds Is Distributed to States Based on



TVA has no current plans for any sale-and-lease-back arrangements in Tennessee that would affect the distribution of the state's PILOT.

TVA chose a somewhat different leasing strategy to raise funds for generating expansions in Tennessee without approaching its debt ceiling. Thus far, arrangements in Tennessee have been lease-and-lease-back agreements, which do not jeopardize the amount of the PILOT controlled by Tennessee's allocation formula. An example is the natural gas combined cycle plant built between 2010 and 2012 in Hawkins County next to the John Sevier fossil plant and leased to a private company in January 2012. The company paid TVA \$1 billion for the lease and then leased the plant back to TVA for 30 years.³¹ This lease arrangement changes neither the ownership of the property nor TVA revenues and thus has no effect on the PILOT allocation across states or the amount distributed to Tennessee. Similarly, after repurchasing Seven States' 90% share of the Southaven plant, TVA then entered into a leasing arrangement with Southaven Combined Cycle Generation LLC in which the facility is leased to the company and, in turn, the facility is leased back to TVA.³²

Currently, TVA has no reported plans for any new lease arrangements in Tennessee, including sale-lease-back arrangements that would affect the state's share of the Authority's PILOT, in the short term.³³ However, the possibility exists that TVA could use leasing strategies in the future to finance new construction if its debt limit remains capped at \$30 billion. In its most recent *Form 10-K* filed with the US Securities and Exchange Commission, TVA acknowledges its use of these innovative financing techniques and says that it may eventually seek similar arrangements, but it mentions no immediate plans to do so.³⁴

In the past, TVA has said that

while such leasing transactions allow TVA to diversify its asset financing program, financing an asset by using the proceeds of leasing transactions is typically more costly to TVA than financing an asset with the proceeds of Bonds.³⁵

In April 2015, TVA purchased Quantum Utility Generation's Choctaw combined-cycle natural gas plant near Ackerman, Mississippi. Although the purchase used traditional forms of financing, the acquisition allows for future ownership by Seven States Power Corporation, which could affect the PILOT depending on the type of sale or lease arrangement adopted.³⁶

³¹ Tennessee Valley Authority 2013a.

³² Tennessee Valley Authority 2013b.

³³ Email from Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 29, 2019.

³⁴ Tennessee Valley Authority 2022a.

³⁵ Tennessee Valley Authority 2013a.

³⁶ Tennessee Valley Authority 2015.

Rebalancing Power Sources and Increasing Efficiency

As TVA continues to rebalance its generating fleet, the resulting changes could cause shifts in the value of power property from state to state and from county to county, which could affect each state's and county's share of TVA's PILOT. Many of these changes—consistent with environmental mandates, the economics of power production, and the recommendations in TVA's 2019 IRP—involve the retirement of existing coal-fired units at TVA power plants. Because retired units are no longer used to produce power, TVA accelerates their depreciation so that only their residual value is included in the PILOT distribution formula.³⁷ Changes in TVA's generating fleet since 2011 have generally increased the value of TVA power property in Tennessee relative to other states in the region.³⁸ During this period, the reduction in value of retired coal-fired units in Tennessee has been more than offset by investments in natural gas and nuclear-powered facilities in the state and retirements of coal-fired units in other states.³⁹

Tennessee's share of TVA power property decreased for the second year in a row in federal fiscal year 2021-22. These decreases are likely attributable to TVA's investments in Kentucky and Alabama combined with accelerated depreciation of TVA's Bull Run plant in Anderson County—in anticipation of its 2023 retirement—which were only partially offset by new investment at its Johnsonville plant in Humphreys County.⁴⁰ Future changes could further reduce Tennessee's share of TVA power property and the PILOT unless they are offset by increases in the value of TVA power property from investments in Tennessee or by net reductions in other states. TVA has announced it will retire the coal-fired units at its Cumberland plant in Stewart County but will replace them with a new combined-cycle natural gas plant on an adjacent property.⁴¹ TVA continues to evaluate whether to retire the remaining coal-fired units at its Kingston plant in Roane County.⁴²

Shifts involving other types of power property similarly could affect the share of TVA's PILOT that each state and county receives. For example, TVA has announced plans to relocate its power control center from an existing facility in Hamilton County to a new facility to be built in Meigs County. Construction began in July 2020 and is expected to continue through 2022,

TVA continues to rebalance its generation fleet, which could cause shifts in the value of power property from state to state and in each state's share of TVA's PILOT.

³⁷ Email from Stephen Schoolfield, senior program manager-taxes, Tennessee Valley Authority, January 6, 2016.

³⁸ Email from Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 29, 2019.

³⁹ Telephone interview with Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 25, 2019; also Flessner 2020a.

⁴⁰ Emails from Rebecca Jones, Tennessee Valley Authority, December 23, 2021, and Betsy Hopson taxes program manager, Tennessee Valley Authority, January 7, 2022. For Bull Run retirement see Tennessee Valley Authority 2021a.

⁴¹ Tennessee Valley Authority "Cumberland Fossil Plant Retirement."

⁴² Flessner 2021 and Tennessee Valley Authority "Kingston Fossil Plant Retirement."

Rebates in TVA's long-term wholesale power contracts reduced revenue by \$199 million in federal fiscal year 2021-22, reducing TVA's PILOT; 147 of the Authority's 153 distributors have opted into the new contracts.

with the facility fully operational in 2024.⁴³ To the extent that investment in the new facility increases the value of TVA power property in Tennessee relative to other states, it would shift the balance of the PILOT toward Tennessee. Moreover, because a county's direct payments from TVA are based on the power property TVA owns in it, the planned relocation has already resulted in an increase in direct payments to Meigs County for the land TVA has purchased there for the new facility. The relocation will not affect TVA's direct payments to Hamilton County because TVA still owns the building in which the current power control center is located.⁴⁴

TVA's 2019 IRP also calls for energy efficiency savings of up to 1,800 megawatts by 2028 and up to 2,200 megawatts by 2038.⁴⁵ Some of that improved efficiency will occur through upgrading power transmission and distribution systems; some will occur in private homes and businesses. As customers update their homes, commercial and industrial facilities, and electrical appliances and equipment, those changes reduce existing power demand, which could reduce TVA revenues and ultimately the PILOT for all recipients if the amount of electricity consumed does not continue to grow with the population and the economy.

TVA's response to increases in energy efficiency has included a change to the way it charges local utilities for wholesale electric service, which it approved in May 2018. The new rate structure added a grid access charge, which TVA said would "better recover fixed costs" of providing electricity and "reduce the variability in revenues caused by weather."⁴⁶ According to TVA, the change was intended to be revenue neutral,⁴⁷ and the new rate structure has not resulted in any noticeable changes to the PILOT since its adoption. TVA has made no indication it intends to change the rate structure again in the near future.

Incentives in New Long-Term Wholesale Power Contracts

Changes in TVA's wholesale power contracts with its distributors can affect TVA's gross power revenue and, therefore, the PILOT. In August 2019, TVA approved a new long-term contract option that "better aligns the length of [distributor] contracts with TVA's long-term commitments."⁴⁸ The new contracts include rebates for distributors and flexibility for them

⁴³ Chattanooga 2020; and Tennessee Valley Authority "System Operations Center."

⁴⁴ Emails from Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, December 13, 2018 and December 2, 2019.

⁴⁵ Tennessee Valley Authority 2019c. By way of comparison, TVA's combined-cycle natural gas plant in Ackerman, Mississippi, is capable of producing 705 megawatts of electricity, enough to power more than 400,000 homes. See <https://www.tva.gov/Energy/Our-Power-System/Natural-Gas/Ackerman-Combined-Cycle-Plant>.

⁴⁶ Tennessee Valley Authority 2019c.

⁴⁷ Tennessee Valley Authority 2018.

⁴⁸ Tennessee Valley Authority 2019a.

to obtain renewable energy from sources other than TVA in exchange for a 20-year termination notice requirement.⁴⁹

The rebates in these new long-term contracts reduce revenue TVA otherwise would have received, and they reduce TVA's total PILOT because they are credited prior to TVA calculating its gross revenue from power sales.⁵⁰ As of November 14, 2022, 147 of TVA's 153 distributors had signed the new contracts. The remaining six combined to provide 13% of TVA's revenue from sales of electricity to all distributors in federal fiscal year 2021-22. Long-term partnership rebates reduced TVA's gross revenue by \$199 million in federal fiscal year 2021-22.⁵¹ According to TACIR staff calculations, reducing revenue by \$199 million reduced the total PILOT for federal fiscal year 2022-23 by \$10 million and Tennessee's share by approximately \$6.7 million.

The provisions that grant distributors flexibility to obtain renewable energy from sources other than TVA either by generating it themselves or by purchasing it from other entities could also affect payments to Tennessee. To the extent that these provisions reduce the amount of power distributors would otherwise purchase from TVA, they too could reduce TVA power revenue and the PILOT.⁵² The effect on Tennessee revenue would depend in part on the cost of wholesale power that distributors purchased from entities other than TVA. While power purchased at wholesale from these entities would be subject to the equivalent payments required under Public Chapter 1035, Acts of 2010, power that a distributor generated itself for sale to its retail customers would not.⁵³ These payments would be added to those received from TVA and distributed through the state's TVA PILOT distribution formula.⁵⁴ As of November 14, 2022, 80 distributors had signed flexibility agreements as part of their long-term partnership contracts with TVA, allowing them to obtain power from other sources.⁵⁵

There are four municipal utilities in Tennessee currently purchasing power from entities other than TVA under these flexibility agreements.⁵⁶ But only one of these distributors—BrightRidge, which provides power to Johnson City—purchased any power from its non-TVA supplier in federal fiscal year 2021-22. Because TVA's PILOT is based on the prior year's power sales, BrightRidge's purchases are the only ones that affected the

Contract provisions that grant distributors flexibility to obtain renewable energy from sources other than TVA can affect PILOT payments, though power purchased from entities other than TVA are subject to equivalent in lieu of tax payments under Public Chapter 1035, Acts of 2010.

⁴⁹ Tennessee Valley Authority 2019a; and Flessner 2019b.

⁵⁰ Telephone interview with Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 15, 2019.

⁵¹ Tennessee Valley Authority 2022a.

⁵² Telephone interview with Bryan Johnson, senior program manager-taxes, Tennessee Valley Authority, October 15, 2019.

⁵³ Email from Christin Lotz, research director, Tennessee Department of Revenue, October 28, 2019.

⁵⁴ Public Chapter 1035, Acts of 2010.

⁵⁵ Tennessee Valley Authority 2022a.

⁵⁶ Email from Josh Tester, accounting policy and research program manager, Tennessee Valley Authority, January 11, 2023.

TACIR staff estimate that power purchased from entities other than TVA decreased Tennessee's share of TVA's PILOT by less than \$25,000 in federal fiscal year 2022-23.

payments Tennessee received from TVA for federal fiscal year 2022-23—none of the other three purchased any power prior to December 2022.⁵⁷ TACIR staff estimate that BrightRidge's purchases decreased Tennessee's share of TVA's PILOT by less than \$25,000 in federal fiscal year 2022-23.⁵⁸

As of January 2023, no payments pursuant to Public Chapter 1035, Acts of 2010, had been made to Tennessee.⁵⁹ Prior to BrightRidge in December 2021, it appears no other distributors had purchased wholesale power from entities other than TVA, and Tennessee Department of Revenue staff are working to clarify aspects of the 2010 law's implementation related to the payments required under it.⁶⁰ It is possible for wholesalers responsible for these payments to reduce the amount owed by applying credits for other taxes they pay, including local property taxes and state franchise and excise taxes, as well as gross receipts taxes.⁶¹ Whether these credits would be enough to completely offset the payments required under the 2010 law is unclear but will likely vary on a case-by-case basis.

Potential for Changes in TVA's Customer Base

Federal law both prohibits TVA from expanding its service area and protects TVA from competitors. Although the prohibition on expansion—called the fence—makes it unlikely that TVA would be able to replace revenue lost if a distributor were to opt out of its contract and obtain power elsewhere, the protection from competition—called the anti-cherrypicking provision—creates potential hurdles for distributors leaving the TVA system. As described by TVA,

under the TVA Act, subject to certain minor exceptions, TVA may not, without the enactment of authorizing federal legislation, enter into contracts that would have the effect of making it, or the wholesale customers that distribute TVA power ("local power company customers" or "LPCs"), a source of power supply outside the area for which TVA or its LPCs were the primary source of power supply on July 1, 1957. This provision is referred to as the "fence" because it bounds TVA's sales activities, essentially limiting TVA to power sales within a defined service area.

In addition, the Federal Power Act includes a provision that helps protect TVA's ability to sell power within its service

⁵⁷ Telephone interview with Ben Risteen, senior tax manager, Silicon Ranch, January 11, 2023.

⁵⁸ TACIR staff calculations based on email from Brian Bolling, chief financial officer and chief customer officer, BrightRidge, January 12, 2023; and email from Josh Tester, accounting policy and research program manager, Tennessee Valley Authority, October 31, 2022.

⁵⁹ Email from Amanda McGraw, chief financial officer, Tennessee Department of Revenue, January 12, 2023.

⁶⁰ Ibid.

⁶¹ Public Chapter 1035, Acts of 2010.

area. This provision, called the “anti-cherry-picking” provision, prevents the Federal Energy Regulatory Commission from ordering TVA to provide access to its transmission lines to others to deliver power to customers within TVA’s defined service area. As a result, the anti-cherry-picking provision reduces TVA’s exposure to loss of its customers. . . .

. . . However, other utilities may use their own transmission lines to serve customers within TVA’s service area, and third parties are able to avoid the restrictions on serving end-use customers by selling or leasing generating assets to a customer rather than selling electricity.⁶²

In January 2021, four distributors—including three from Tennessee—filed a complaint with the Federal Energy Regulatory Commission (FERC), challenging the anti-cherry-picking provision by requesting that FERC exercise its authority to “order TVA to provide unbundled transmission service.”⁶³ Their request was denied in October 2021 and a request for rehearing was also denied in December 2021.⁶⁴ Two of the four distributors appealed FERC’s decision in federal court, but the case was dismissed in November 2022 after one of the distributors withdrew and the other filed a motion for voluntary dismissal.⁶⁵ In 2022, federal legislation that would have eliminated the fence and anti-cherry-picking provisions was filed but did not pass.⁶⁶

Distributors can opt out of their contracts with TVA subject to termination notice requirements. Six distributors have contracts with 5-year notice requirements and 147 have 20-year requirements.⁶⁷ A handful of distributors have left the TVA system in recent decades,⁶⁸ though at least one has since returned.⁶⁹ It appears that the prospect of a major distributor leaving the system has diminished at least for the time being. Memphis Light, Gas and Water (MLGW)—which serves the cities and unincorporated areas of

If Tennessee distributors leave the TVA system, the equivalent in lieu of tax payments required by Public Chapter 1035, Acts of 2010, could at least partially offset decreases in TVA’s PILOT to Tennessee.

⁶² Tennessee Valley Authority 2019b. Also see 16 US Code 831n-4; 16 US Code 824j; and 16 US Code 824k(j).

⁶³ Athens Utilities Board et al. v. Tennessee Valley Authority. *Notice of Complaint*. 86 FR 7089 (2021). The four petitioners were: Athens Utilities Board (TN), Gibson Electric Membership Corporation (TN), Volunteer Energy Cooperative (TN), and Joe Wheeler Electric Membership Corporation (AL).

⁶⁴ Athens Utilities Board et al. v. Tennessee Valley Authority. *Order on Petition*. 177 FERC ¶61,021 (2021) and *Notice of Denial of Rehearing by Operation of Law and Providing for Further Consideration*. 177 FERC ¶62,162 (2021).

⁶⁵ Athens Utilities Board, et al v. FERC. *Petition for Review*. United States Court of Appeals for District of Columbia Circuit, Docket #22-1024, Document #1936019; Athens Utilities Board, et al v. FERC. *Gibson Electric Membership Corporation Motion to Withdraw as Petitioner*. USCA Case #22-1024, Document #1968178. *Unopposed Motion for Voluntary Dismissal*, Document #1971027. *Order Granting Motion to Dismiss*, Document #1973518.

⁶⁶ H.R. 9042, 117th Congress (2021-2022). Also Flessner 2022.

⁶⁷ Tennessee Valley Authority 2022a.

⁶⁸ Kentucky Municipal Power Agency 2018.

⁶⁹ McGee 2008.

Memphis Light, Gas and Water, which accounts for 9% of TVA's revenue, decided to remain with TVA in December 2022 following a multiyear study of other power supply options.

Shelby County and has a 5-year termination notice—decided to remain with TVA in December 2022 following a multiyear study of other power supply options.⁷⁰

MLGW accounted for 9% of TVA revenue in federal fiscal year 2021-22,⁷¹ and its departure would have reduced TVA's overall PILOT and the share allocated to Tennessee, though decreases in the state's share could have been at least partially offset by equivalent payments required under Public Chapter 1035, Acts of 2010. If MLGW or any other Tennessee distributor were to leave the TVA system, the overall effect on state and local revenue from TVA's PILOT and the equivalent payments required under the 2010 law would depend in part on the cost of wholesale power purchased from other entities. As discussed above, power purchased at wholesale from entities other than TVA would be subject to the equivalent payments, but power that a distributor generated itself for sale to its retail customers would not.⁷²

For individual local governments in Tennessee, the effect on revenue from TVA's PILOT and the equivalent payments would vary. Equivalent payments made pursuant to the 2010 law would be added to TVA PILOT revenue and allocated to local governments through the state's TVA PILOT distribution formula. But local governments whose distributors leave TVA's service area after March 8, 1990, are excluded from the portion of revenue distributed through the formula based on population, county acreage, or TVA acreage.⁷³ As a result, revenue distributed to some local governments could increase even if overall revenue decreases because they would receive a larger individual percentage through the formula; however, local governments in the exiting distributor's service area would all see their shares decrease.

The Shift Away from Coal: Environmental and Business Reasons

As recently as 2011, coal-fired plants were TVA's largest single source of power,⁷⁴ but because of their age and changing air-quality requirements, the Authority is shifting emphasis from coal to other power sources (see figure 3 and appendix G). As its coal-fired power plants age, TVA must either retire them or install costly upgrades to meet new air-quality standards that tighten restrictions on the emission of particulates, sulfur

⁷⁰ Memphis Light, Gas and Water 2019, 2022a, and 2022b; also "Power Supply Alternatives IRP."

⁷¹ Tennessee Valley Authority 2022a.

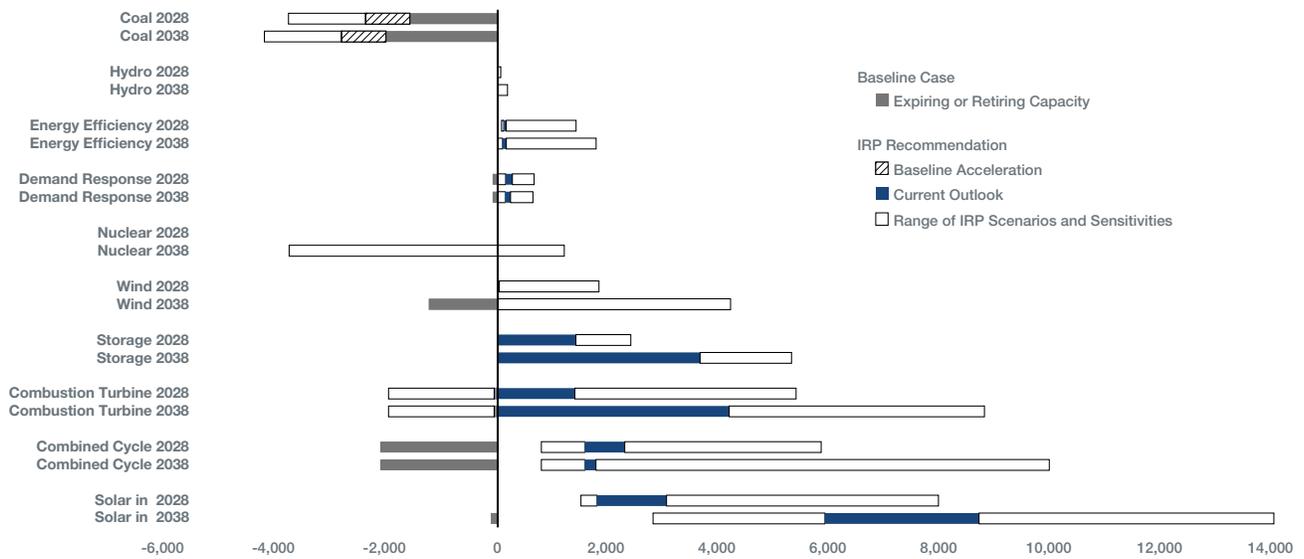
⁷² Email from Christin Lotz, research director, Tennessee Department of Revenue, October 28, 2019.

⁷³ Tennessee Code Annotated, Section 67-4-3101(f); Tennessee Code Annotated, Section 67-9-102(a); and email from Christin Lotz, research director, Tennessee Department of Revenue, October 28, 2019.

⁷⁴ Tennessee Valley Authority 2013a shows coal fueled 52% of TVA power generation in federal fiscal year 2011, but 41% in 2012 as natural gas usage more than doubled.

dioxide, nitrogen oxides, mercury, lead, and carbon—the major byproducts of burning coal. The cost of upgrading existing coal-fired facilities, the relative cleanliness of other fuels, and the decreasing cost of natural gas have also resulted in a competitive advantage for other methods of generating electricity.

Figure 3. TVA Recommended Range of Capacity Changes in Megawatts by 2028 and 2038



Source: Tennessee Valley Authority 2019c.

Fossil Plant Retirements Required by Environmental Agreements

To resolve a series of legal challenges brought under the Clean Air Act by several states, including Tennessee, and environmental groups, TVA entered into two settlements in April 2011 in which it agreed to retire 18 of its 59 coal-fired units before 2018. All of the affected units were retired prior to January 2018. They included two of four coal-fired units at TVA’s John Sevier plant in Hawkins County, which were replaced by a combined-cycle gas plant on an adjacent site, all 10 coal-fired units at its Johnsonville plant in Humphreys County, and six of eight coal-fired units at its Widows Creek plant in Alabama.⁷⁵ See table 2.

⁷⁵ Tennessee Valley Authority 2014, 2017b, and 2018.

Table 2. Tennessee Valley Authority Coal-Fired Units Retired Under Environmental Agreements

Fossil Plant	Units Affected	Existing Scrubbers and SCRs* Prior to Agreements	Requirements Under Environmental Agreements	Retirements Implemented by TVA as a Result of Environmental Agreements
John Sevier	2 of 4	None	<ul style="list-style-type: none"> Retire two units no later than December 31, 2012 	<ul style="list-style-type: none"> Retired Units 1 and 2 on December 31, 2012
Johnsonville	10 of 10	None	<ul style="list-style-type: none"> Retire six units no later than December 31, 2015 Retire four units no later than December 31, 2017 	<ul style="list-style-type: none"> Retired Units 5-10 on December 31, 2015 Retired Units 1-4 on December 31, 2017
Widows Creek	6 of 8	None	<ul style="list-style-type: none"> Retire two of Units 1-6 no later than July 31, 2013 Retire two of Units 1-6 no later than July 31, 2014 Retire two of Units 1-6 no later than July 31, 2015 	<ul style="list-style-type: none"> Retired Units 3 and 5 on July 31, 2013 Retired Units 1, 2, 4, and 6 on July 31, 2014

* Selective catalytic reduction systems ("SCR")

Source: Tennessee Valley Authority 2014, 2017b, and 2018.

Fossil Plant Retirements for Business Reasons

Because of the competitive advantage over coal of other methods of generating electricity, TVA has retired 16 additional coal-fired units since 2013 and plans to retire three more by the end of 2028. The units retired for business reasons included the two remaining coal-fired units at TVA's John Sevier plant in Hawkins County and one of the 10 units at its Shawnee plant in Kentucky in 2014, the last two units at its Widows Creek plant in Alabama in 2015, and all five coal-fired units at its Colbert plant in Alabama in 2016. TVA retired two of the three coal-fired units at its Paradise plant in Kentucky in 2017 and all three coal-fired units at the Allen plant in Memphis in 2018 following the completion of new natural gas-fired units at each site. TVA retired the remaining coal-fired unit at Paradise in February 2020 and plans to retire the lone unit at its Bull Run plant in Anderson County by December 2023 and both units at its Cumberland plant in Stewart County, one by the end of 2026 and the other by the end of 2028.⁷⁶ See table 3.

⁷⁶ Tennessee Valley Authority 2014, 2017b, 2018, 2019b, 2020, and "Cumberland Fossil Plant Retirement."

Table 3. Tennessee Valley Authority Coal-Fired Units Retired for Business Reasons

Fossil Plant	Units Affected	Existing Scrubbers and SCRs* Prior to Agreements	Requirements Under Environmental Agreements	Retirements Implemented or Planned by TVA for Business Reasons
Allen	3 of 3	SCRs on all three units	<ul style="list-style-type: none"> Install scrubbers or retire no later than December 31, 2018 	<ul style="list-style-type: none"> Retired Units 1-3 of coal-fired plant on March 31, 2018 New gas-fired plant built at site of Allen coal-fired plant began operation on April 30, 2018
Bull Run	1 of 1	Scrubber and SCRs on unit	<ul style="list-style-type: none"> Continuously operate existing emission control equipment 	<ul style="list-style-type: none"> Retire lone unit by December 2023
Colbert	5 of 5	SCR on Unit 5	<ul style="list-style-type: none"> Remove from service, control, convert, or retire Units 1-4 no later than June 30, 2016 Remove from service, control, or retire Unit 5 no later than December 31, 2015 Control or retire removed from service units within three years 	<ul style="list-style-type: none"> Retired Units 1-5 on April 16, 2016
Cumberland	2 of 2	Scrubbers and SCRs on both units	<ul style="list-style-type: none"> Continuously operate existing emission control equipment 	<ul style="list-style-type: none"> Retire one unit by December 2026 and the second by December 2028
John Sevier	2 of 4	None	<ul style="list-style-type: none"> Remove from service two units no later than December 31, 2012 and control, convert, or retire those units no later than December 31, 2015 	<ul style="list-style-type: none"> Retired Units 3 and 4 on June 25, 2014
Paradise	3 of 3	Scrubbers and SCRs on all three units	<ul style="list-style-type: none"> Upgrade scrubbers on Units 1 and 2 no later than December 31, 2012 Continuously operate emission control equipment on Units 1-3 	<ul style="list-style-type: none"> New gas-fired plant built at site of Paradise coal-fired plant began operation on April 7, 2017 Retired Units 1 and 2 of coal-fired plant on April 15, 2017 Retired Unit 3 of coal-fired plant in February 2020
Shawnee	1 of 10	None	<ul style="list-style-type: none"> Control, convert, or retire Units 1 and 4 no later than December 31, 2017 	<ul style="list-style-type: none"> Retired Unit 10 on June 30, 2014
Widows Creek	2 of 8	Scrubbers and SCRs on Units 7 and 8	<ul style="list-style-type: none"> Continuously operate existing emissions control equipment on Units 7 and 8 	<ul style="list-style-type: none"> Retired Units 7 and 8 on September 30, 2015

* Selective catalytic reduction systems (“SCR”)

Source: Tennessee Valley Authority 2014, 2017b, 2018, 2019b, 2020, “Cumberland Fossil Plant Retirement”; and Associated Press 2018.

TVA still has 22 other coal-fired units. But in May 2021, it recommended retiring the remaining units at Kingston (Roane County) in 2026 and 2027, Gallatin (Sumner County) in 2031, and Shawnee (Kentucky) in 2033.⁷⁷ The environmental review process to make an official determination on Kingston’s retirement is underway and scheduled to be complete by the end of 2023.⁷⁸ TVA previously added pollution control devices to two of the units at Shawnee and all four units at Gallatin rather than retire them—TVA had the option to control or retire these units under the environmental

⁷⁷ Tennessee Valley Authority 2021b.

⁷⁸ Tennessee Valley Authority “Kingston Fossil Plant Retirement.”

settlements it agreed to in 2011 and has now completed all requirements of these settlements.⁷⁹ See table 4.

Table 4. Tennessee Valley Authority Coal-Fired Units that Continue to be Operated and Other Actions Taken or Planned

Fossil Plant	Units Affected	Existing Scrubbers and SCRs* Prior to Agreements	Requirements Under Environmental Agreements	Other Actions Taken or Planned
Gallatin	4 of 4	None	• Control, convert, or retire all four units no later than December 31, 2017	• Added scrubbers and SCRs on all four units in 2016 • Evaluate units for potential retirement by 2031
Kingston	9 of 9	Scrubbers and SCRs on all nine units	• Continuously operate existing emission control equipment	• Evaluate three units for potential retirement by 2031 and the remaining six by 2033
Shawnee	9 of 10**	None	• Control, convert, or retire Units 1 and 4 no later than December 31, 2017	• Added scrubbers and SCRs on Units 1 and 4 in 2017; remaining units have none • Evaluate units for potential retirement by 2033

* Selective catalytic reduction systems (“SCR”)

** Unit 10 at Shawnee was idled in 2010 and retired. Tennessee Valley Authority “Shawnee Fossil Plant Emissions.”

Source: Tennessee Valley Authority 2014, 2017b, 2018, 2020, and 2021b.

New Energy Sources to Meet the Region’s Needs

As TVA retires existing coal-fired units, new energy sources—including natural gas, nuclear, wind, and solar—are being developed to meet the region’s electricity needs. New natural gas-fired units became commercially operational at TVA’s Paradise plant in Kentucky in 2017 and at its Allen plant in Memphis in 2018, and TVA is in the process of adding or considering additional gas-fired units at other sites.⁸⁰ A second nuclear reactor at TVA’s Watts Bar plant in Rhea County also became commercially operational in 2016.⁸¹ While TVA has as recently as November 2016 said it has no need for another large nuclear facility,⁸² it submitted an application with the US Nuclear Regulatory Commission earlier that year for the future placement of nuclear units known as small modular reactors at a site near Oak Ridge.⁸³ That “Early Site Permit” was approved in 2019, though at that time, TVA said it had “no plans to build [small modular reactors].”⁸⁴ The permit is valid through 2039, which TVA says provides it with “a great deal of flexibility to make new nuclear decisions based on energy needs and economic factors.”⁸⁵ After evaluating “a variety of alternatives for a proposed advanced nuclear technology park at the Clinch River nuclear

⁷⁹ Tennessee Valley Authority 2017b and 2018.

⁸⁰ Tennessee Valley Authority “Kingston Fossil Plant Retirement.”

⁸¹ Tennessee Valley Authority 2016c.

⁸² Tennessee Valley Authority 2016a.

⁸³ Tennessee Valley Authority 2016b.

⁸⁴ Flessner 2019a.

⁸⁵ Tennessee Valley Authority 2020.

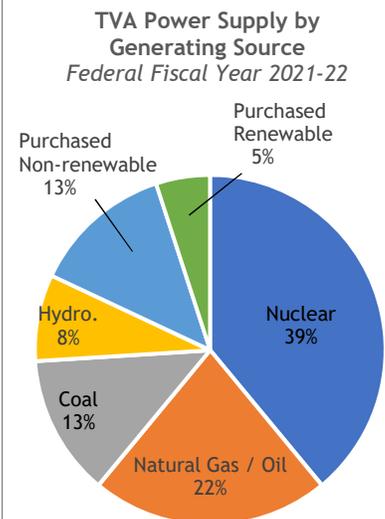
(CRN) site,"⁸⁶ TVA announced in September 2022 that it had chosen its preferred alternative, clearing the way for site preparation and other steps necessary "to support TVA's goal of demonstrating the feasibility of deploying advanced nuclear reactor technologies at the CRN Site."⁸⁷

TVA has contracts to purchase electricity from eight operating wind farms.⁸⁸ It owns 14 solar sites, including one at its Allen plant in Memphis that was completed in 2017.⁸⁹ It also has five power purchase contracts with solar providers operating in Tennessee and Alabama. Ten more solar contracts in Tennessee are expected to commence between federal fiscal years 2022-23 and 2024-25, plus two in Kentucky and three in Mississippi set for federal fiscal year 2022-23.⁹⁰

Several of these solar agreements have been made using TVA's latest utility-scale program for renewable energy development, called "Green Invest." To qualify for federal tax incentives for solar generation, these projects are built by private solar companies that sell the power generated to TVA for distribution to participants in the Green Invest program and other customers.⁹¹ As of September 30, 2022, "more than 2,000 megawatts of renewable [power purchase agreements] have been matched to customers through the Green Invest Program."⁹² The program has no effect on TVA's PILOT because the power is sold through TVA and counts toward TVA's wholesale power revenue and because the properties are not owned by TVA.

TVA continues to modify its renewable energy incentive programs both within the changing market for renewables, such as wind, solar, and hydroelectric, and as part of its ongoing effort to rebalance its generating system. These programs have no effect on TVA's gross revenues, nor do they affect power sales in any state, and so have little to no effect on PILOTs to the several states. Participants continue to buy power from their local power companies and sell all of the power they generate through a system called dual metering to TVA. Their only potential effect would be the extent to which they reduce the Authority's acquisition of new power property in any particular state.

TVA has in the past encouraged the private sector to develop small and medium renewable energy projects by buying electricity from participants in several programs. The Green Power Providers program buys power from homeowners and businesses who install small renewable energy projects—including solar, wind, biomass, and hydro—with individual



⁸⁶ Tennessee Valley Authority 2021a.

⁸⁷ Tennessee Valley Authority 2022c.

⁸⁸ Tennessee Valley Authority "Wind Energy Contracts."

⁸⁹ Tennessee Valley Authority 2017a and Tennessee Valley Authority "Our Power System."

⁹⁰ Tennessee Valley Authority 2021a.

⁹¹ Flessner 2020b.

⁹² Tennessee Valley Authority 2022a.

capacities of 50 kilowatts or less.⁹³ Two other programs—Distributed Solar Solutions and the Renewable Standard Offer—purchase power from medium-sized projects.⁹⁴ Although TVA continues to purchase electricity from existing participants in these programs, it is no longer accepting new applicants for any of them.⁹⁵

TVA's purchases of wind
and solar power and
its renewable energy
incentive programs have
little to no effect on TVA's
PILOT.

⁹³ Tennessee Valley Authority "Green Power Providers." A 50-kilowatt solar installation can provide enough power for approximately five average-sized homes in Tennessee; email from Grace Robertson, marketing manager, Lightwave Solar, February 23, 2015.

⁹⁴ Tennessee Valley Authority 2017b; Tennessee Valley Authority "Guidelines for Renewable Standard Offer"; and Tennessee Valley Authority "Guidelines for Distributed Solar Solutions (2017)."

⁹⁵ Tennessee Valley Authority "Green Power Providers" and Tennessee Valley Authority 2017b.

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Appendix A: TVA's Allocation Formula

Section 13 - In Lieu of Tax Payments Overview

Overview:

Section 13 of the TVA Act requires TVA to pay 'tax equivalent payments' to states in which its power operations are carried out and to counties in which it has acquired reservoir land, allocable to power purposes, or power properties that were formerly subject to local ad valorem taxation. Power operations are determined to be carried out if TVA has power sales and/or holds power property in a given state.

Calculation:

The total tax equivalent payments to be paid to the states and counties is determined by taking 5 percent of gross proceeds from the sale of power, from the prior fiscal year, (excluding sales to federal agencies, off-system sales, and interdivisional sales). The resulting amount is essentially the "bucket" of tax equivalent payments that are to be distributed to the states and counties which TVA carries out its power operations. Currently, the eight states in which TVA carries out its power operations are: Alabama, Georgia, Illinois, Kentucky, Mississippi, North Carolina, Tennessee, and Virginia. The percentage amount to be allocated to each state is determined by a two-part calculation; **1.)** 50 percent is based on the ratio of TVA power property within the respective state, compared to TVA's total net book value of power properties for the prior fiscal year, and **2.)** 50 percent is based on the ratio of power sales within the respective state, compared to TVA's total power sales for the prior fiscal year. The two percentages, calculated above, are then averaged and the resulting percentage is multiplied by the total "bucket" of tax equivalent payments to be distributed, and the resulting dollar amount represents the payments to be distributed to the respective state during TVA's fiscal year.

Direct Payments to counties:

The TVA Act also requires TVA to directly make payments to counties in which TVA has acquired/purchased reservoir land, allocable to power purposes, or power property from a privately owned and operated utility company. (E.g. TVA purchases a power plant from Southern Company in order to serve a given load in the TVA service territory. Whereas Southern Company has historically paid property taxes to the county in which this power property is located, TVA is not subject to taxation and therefore the county cannot levy property taxes for this power property. However, in an effort to keep the county whole, the TVA Act requires TVA to make payments "in-lieu" of taxes to the county.) The amount to be paid to the county is determined by taking the average of the prior two years property tax bills and the resulting amount is paid, annually, to the county for as long as TVA owns the property. In addition, any direct payments to a county reduce the amount paid directly to the state by TVA. While this reduces the total amount paid directly to the state, it doesn't change the overall tax equivalent payments that the state is due, determined above.

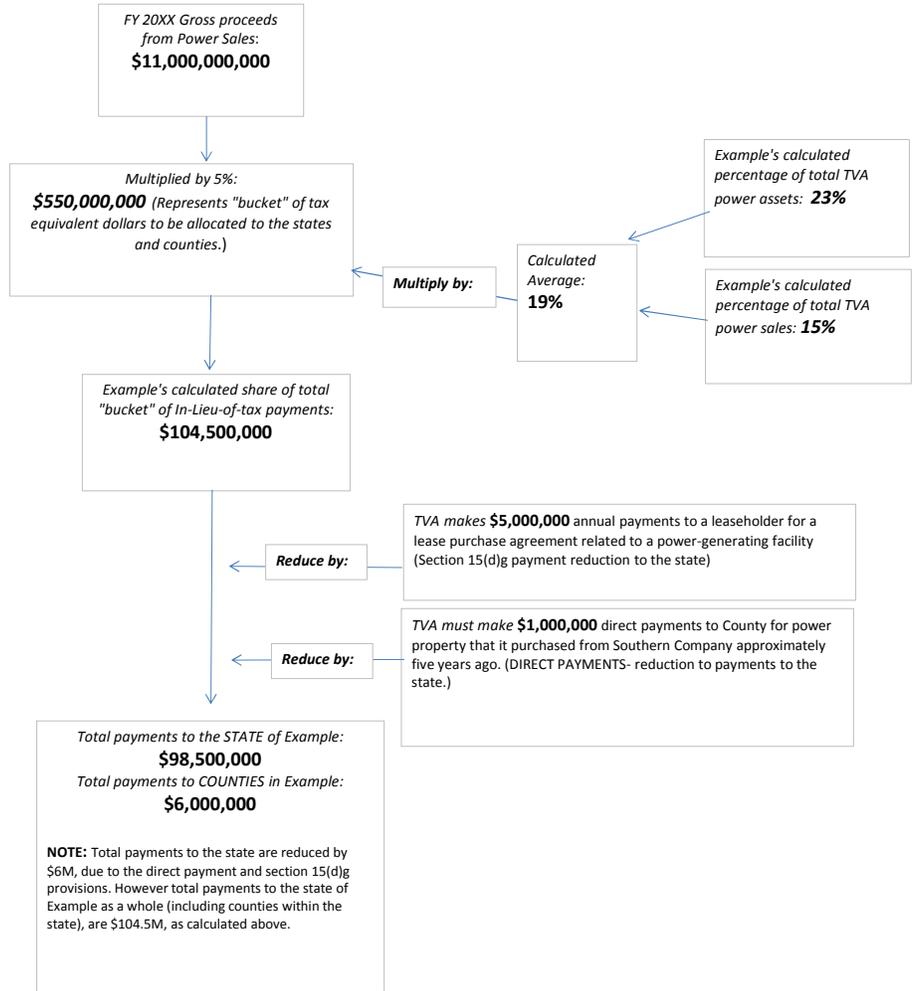
Section 15(d)g of the TVA Act:

This section recognizes that generating facilities operated by TVA under lease or lease purchase agreements constitute power property held by TVA within the meaning of Section 13. As such, any property taxes reimbursed by TVA to the leaseholder, as a result of the negotiated lease agreement, will reduce the overall amount owed to the state by TVA. This section essentially prevents a "double-dipping" on the tax payments to the county/state since TVA has already reimbursed the leaseholder for the property taxes.

Additional Facts:

- The TVA Board, each November, approves the estimated (based on unaudited financial numbers) payments, for the current fiscal year, to be paid during the months of October through August.
- In addition, the Board approves the "final" payment for September of the prior fiscal year which is based off audited financial data.
- Each state redistributes the tax equivalent payments to the counties based upon each state's individual legislation.
- Once TVA has remitted the tax equivalent payments to the individual states it has no authority to dictate how the monies are redistributed.

Example: State of Example's Tax Equivalent Payments for FY20XX



NOTE: Amounts above are for illustrative purposes only and do NOT represent actual amounts for a specific fiscal year.

Source: Schoolfield 2017.

Appendix B: Tennessee's Allocation Formula

The TVA Act of 1933 (TVA Act) specifically directs that 5% of the Authority's "gross proceeds" be paid as payments in lieu of taxes (PILOTs) to states and local governments where the authority owns and operates property. (48 Stat. 58-59, 16 USC. § 831.) TVA interprets "gross proceeds" as their operating revenues from the sale of power to municipalities, cooperatives, and industries. The TVA Act specifically excludes sales to federal agencies from the PILOT calculation. Payments to each state are based on the amount of TVA-owned property and sales in each state. Tennessee's share based on those two factors has been more than 60% of the total each year since federal fiscal year 2010-11.

Each state determines its own method of distributing the payments. The following chart shows the formula used by the State of Tennessee in distributing the funds among the state government, its agencies, counties, and cities.

Tennessee Valley Authority (Tennessee State Revenue Sharing Act)

Title 67, Chapter 9, Part 1

From the Allocation of TVA Payments in Lieu of Taxes in Tennessee

(after direct payments to counties and 1977-78 base payment to state, counties, and cities)

	Basis of Apportionment (\$67-9-101)	Proration to Counties and Municipalities (\$67-9-102)
Paid to areas with TVA construction <i>(remainder allocated to CTAS, TACIR and Tennessee Central Economic Authority)</i>	3%	
Retained by the State	48.5%	
Paid to Local Governments	48.5%	
<i>Counties—70% of Local Share</i>		
• <i>Based on Percent of State Population</i>		30% <i>(14.55% of total)</i>
• <i>Based on Percent of State Land</i>		30% <i>(14.55% of total)</i>
• <i>Based on County's Percent of TVA Acreage in Tennessee</i>		10% <i>(4.85% of total)</i>
<i>Municipalities—30% of Local Share Based on Percent of State Population</i>		30% <i>(14.55% of total)</i>
Total Allocated by State	100%	

Appendix C: Distribution of Counties' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year

County	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Anderson	\$ 1,274,140	\$ 1,116,491	\$ 1,161,579	\$ 1,240,594	\$ 1,209,200	\$ 1,148,257	\$ 1,140,471	\$ 1,173,627
Bedford	930,421	804,007	810,094	871,080	853,927	806,433	800,352	826,171
Benton	1,945,237	1,692,600	1,731,788	1,856,422	1,822,570	1,725,938	1,714,385	1,766,920
Bledsoe	584,085	504,778	507,635	545,815	525,639	496,430	492,676	508,555
Blount	1,694,217	1,468,371	1,483,920	1,593,273	1,538,002	1,454,729	1,443,998	1,489,557
Bradley	1,238,263	1,071,060	1,083,356	1,164,376	1,121,118	1,059,194	1,051,291	1,084,953
Campbell	1,475,216	1,279,413	1,330,786	1,428,757	1,392,427	1,316,850	1,307,542	1,348,530
Cannon	425,555	369,106	378,197	405,909	391,265	370,065	367,340	378,865
Carroll	898,305	775,217	804,059	865,172	832,797	786,049	780,040	805,454
Carter	938,388	812,270	863,123	927,466	879,608	831,239	825,098	851,393
Cheatham	649,144	560,192	578,715	614,263	591,333	558,137	553,870	571,916
Chester	458,077	395,306	409,882	441,037	424,574	400,739	397,676	410,633
Claiborne	1,063,756	922,133	955,457	1,025,956	1,005,159	950,425	943,604	973,360
Clay	317,596	274,076	284,598	306,230	294,798	278,249	276,122	285,118
Cocke	847,732	741,201	769,632	822,801	795,345	754,642	749,426	771,553
Coffee	1,132,592	977,851	991,625	1,066,873	1,027,328	969,841	962,603	993,854
Crockett	407,321	351,512	369,375	397,448	382,618	361,141	358,381	370,056
Cumberland	1,225,041	1,057,255	1,074,162	1,155,766	1,112,664	1,050,235	1,042,213	1,076,151
Davidson	5,620,252	4,857,256	4,733,171	5,088,979	4,900,954	4,628,778	4,593,798	4,741,771
Decatur	720,138	628,311	646,256	691,692	658,650	624,479	620,217	638,793
DeKalb	479,219	413,561	422,309	454,404	438,393	413,787	410,625	424,001
Dickson	952,746	822,427	834,653	897,964	864,514	816,079	809,854	836,184
Dyer	863,226	744,941	787,458	847,311	815,685	769,896	764,011	788,979
Fayette	1,115,315	962,483	977,492	1,051,342	1,011,838	955,036	947,735	978,614
Fentress	709,728	612,474	629,153	676,975	651,704	615,119	610,417	630,305
Franklin	1,434,583	1,247,840	1,279,143	1,371,158	1,183,321	1,120,924	1,113,088	1,147,012
Gibson	1,053,356	909,018	946,514	1,018,457	980,440	925,401	918,328	948,247
Giles	928,879	802,396	826,366	888,733	855,804	808,090	801,957	827,896
Grainger	1,121,453	979,171	1,001,043	1,071,128	1,036,650	983,113	976,602	1,005,707
Greene	1,257,504	1,086,979	1,134,096	1,219,325	1,172,530	1,107,440	1,099,096	1,134,480
Grundy	519,453	448,839	464,716	499,725	481,224	454,442	450,999	465,559
Hamblen	1,012,173	879,257	915,171	981,718	946,369	895,606	889,305	916,902
Hamilton	3,975,183	3,445,621	3,502,196	3,760,660	3,658,020	3,458,866	3,433,751	3,542,017
Hancock	306,671	264,624	273,673	294,472	283,481	267,569	265,524	274,174
Hardeman	959,845	828,317	867,772	933,732	899,025	848,556	842,070	869,506
Hardin	1,232,284	1,069,533	1,095,765	1,175,850	1,146,888	1,085,003	1,077,274	1,110,917
Hawkins	1,429,246	1,258,661	1,308,016	1,393,622	1,356,948	1,291,118	1,282,909	1,318,698
Haywood	761,003	656,774	683,490	735,421	707,991	668,267	663,010	684,599
Henderson	971,920	839,275	867,765	933,604	893,489	843,627	837,362	864,648
Henry	1,961,052	1,702,936	1,748,274	1,875,847	1,777,904	1,682,427	1,670,799	1,722,705
Hickman	903,111	781,709	806,363	866,351	834,577	788,690	782,792	807,737
Houston	474,141	411,582	423,568	454,519	440,770	417,012	414,070	426,986
Humphreys	1,772,085	1,545,581	1,576,576	1,687,868	1,648,788	1,562,903	1,552,477	1,599,168
Jackson	440,173	379,856	392,603	422,445	406,675	383,846	380,911	393,322
Jefferson	1,145,397	1,013,551	1,035,256	1,100,173	1,055,684	1,006,702	1,000,580	1,027,208
Johnson	560,417	487,742	507,043	543,332	521,881	494,271	490,759	505,769
Knox	4,150,333	3,597,658	3,605,000	3,870,233	3,735,811	3,532,625	3,506,590	3,617,045
Lake	246,084	212,363	225,180	242,296	233,251	220,157	218,474	225,592
Lauderdale	728,577	628,816	670,631	721,589	694,284	655,321	650,313	671,477
Lawrence	1,030,241	889,474	912,944	982,111	945,560	892,645	885,845	914,610

Appendix C: Distribution of Counties' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year (continued)

County	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Lewis	419,796	362,716	372,714	400,798	385,957	364,473	361,711	373,390
Lincoln	918,314	793,288	812,383	873,683	841,293	794,397	788,370	813,863
Loudon	1,282,623	1,143,625	1,145,913	1,212,826	1,189,182	1,137,478	1,131,078	1,159,187
Macon	534,019	460,842	462,467	497,620	479,044	452,186	448,729	463,349
Madison	1,346,176	1,161,940	1,231,304	1,324,771	1,275,651	1,204,133	1,194,946	1,233,824
Marion	1,357,504	1,190,531	1,219,655	1,302,034	1,242,589	1,180,630	1,172,933	1,206,616
Marshall	687,571	594,632	598,395	643,170	619,527	585,272	580,870	599,491
Maurry	1,446,119	1,249,707	1,192,117	1,281,766	1,249,817	1,180,372	1,171,466	1,209,217
McMinn	1,005,806	878,514	914,021	977,685	944,436	895,732	889,511	915,988
McNairy	836,284	721,688	749,089	806,027	775,931	732,372	726,774	750,453
Meigs	895,529	780,553	792,830	849,100	833,143	789,534	779,845	803,409
Monroe	1,820,833	1,597,764	1,634,647	1,743,996	1,679,319	1,596,020	1,585,671	1,630,983
Montgomery	2,161,669	1,865,619	1,699,016	1,828,069	1,759,965	1,661,232	1,648,543	1,702,216
Moore	259,813	225,170	231,641	248,748	216,533	204,769	203,279	209,673
Morgan	760,554	656,830	685,407	737,230	709,774	670,131	664,854	686,398
Obion	856,322	739,005	774,607	833,471	802,361	757,329	751,541	776,021
Overton	662,046	571,326	590,181	635,041	611,335	577,016	572,606	591,262
Perry	768,369	667,854	679,910	729,051	703,299	665,771	661,077	681,478
Pickett	220,310	190,121	196,494	211,430	203,537	192,111	190,643	196,854
Polk	902,784	801,740	817,050	866,641	832,290	794,851	790,102	810,455
Putnam	1,022,115	882,155	890,097	957,698	921,975	870,259	863,646	891,761
Rhea	1,314,096	1,150,972	1,178,824	1,259,320	1,219,463	1,157,939	1,150,431	1,183,879
Roane	1,746,223	1,535,689	1,591,843	1,697,315	1,687,870	1,604,918	1,594,781	1,639,940
Robertson	1,063,177	917,629	929,055	999,490	962,217	908,258	901,323	930,656
Rutherford	3,108,581	2,686,117	2,391,830	2,571,699	2,476,705	2,338,930	2,321,247	2,396,046
Scott	768,149	662,889	688,257	740,572	712,926	672,904	667,760	689,517
Sequatchie	429,672	372,029	375,261	403,100	388,389	367,092	364,355	375,932
Sevier	1,458,783	1,260,902	1,278,590	1,374,699	1,323,002	1,249,557	1,240,164	1,280,090
Shelby	7,588,617	6,576,268	7,172,587	7,702,525	7,422,378	7,016,977	6,964,888	7,185,270
Smith	547,551	476,017	489,395	524,664	510,067	482,866	479,384	494,172
Stewart	3,230,634	2,813,009	2,861,905	3,066,904	2,946,487	2,791,312	2,772,961	2,857,324
Sullivan	1,947,907	1,688,392	1,792,441	1,924,751	1,891,853	1,788,290	1,775,264	1,831,340
Sumner	2,064,160	1,783,315	1,682,567	1,809,384	1,739,358	1,642,536	1,624,332	1,676,777
Tipton	954,885	824,179	871,659	937,835	902,844	852,219	845,712	873,233
Trousdale	263,810	231,096	215,953	230,477	223,026	211,912	210,501	216,542
Unicoi	341,993	295,172	312,350	336,068	323,508	305,365	303,033	312,896
Union	1,233,297	1,079,150	1,101,418	1,177,314	1,126,542	1,069,374	1,062,503	1,093,583
Van Buren	387,451	335,421	340,091	365,362	353,285	333,888	331,407	341,952
Warren	871,282	757,612	784,319	840,784	796,824	754,461	749,031	772,074
Washington	1,345,033	1,164,220	1,188,742	1,277,167	1,231,386	1,163,691	1,155,001	1,191,801
Wayne	982,047	847,584	875,682	942,190	906,454	855,624	849,097	876,736
Weakley	914,914	789,720	834,728	898,081	864,107	815,671	809,450	835,781
White	671,069	580,312	594,614	639,166	618,027	583,823	579,453	598,047
Williamson	2,429,519	2,099,523	1,839,894	1,978,126	1,902,192	1,796,604	1,783,034	1,840,433
Wilson	1,711,707	1,479,179	1,359,603	1,461,825	1,407,649	1,329,458	1,319,411	1,361,917
Total	\$ 115,879,984	\$ 100,523,880	\$ 102,129,184	\$ 109,601,944	\$ 105,652,995	\$ 99,936,128	\$ 99,201,346	\$ 102,309,124

Source: Tennessee Department of Revenue.

Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Adams	\$ 7,503	\$ 6,479	\$ 7,236	\$ 7,786	\$ 7,496	\$ 7,178	\$ 7,142	\$ 7,428
Adamsville	27,346	23,630	25,340	27,258	26,248	25,139	25,015	26,012
Alamo	28,092	24,260	28,136	30,275	29,149	27,912	27,773	28,886
Alcoa	131,991	113,982	96,577	103,918	100,053	95,807	95,330	99,149
Alexandria	11,795	10,185	11,042	11,881	11,439	10,954	10,899	11,336
Algood	47,648	41,147	39,950	42,986	41,388	39,632	39,434	41,014
Allardt	6,673	5,762	7,247	7,798	7,508	7,189	7,153	7,440
Altamont	13,430	11,598	11,945	12,853	12,375	11,850	11,791	12,263
Ardmore	14,632	12,636	13,865	14,919	14,364	13,755	13,686	14,235
Arlington	174,926	151,058	151,078	162,561	156,516	137,094	136,411	141,876
Ashland City	62,437	53,917	59,736	64,277	61,886	51,493	51,236	53,289
Athens	169,480	146,375	153,977	165,670	159,514	152,751	151,990	158,074
Atoka	120,329	103,910	108,293	116,525	112,191	107,430	94,630	98,422
Atwood	11,302	9,760	10,722	11,537	11,108	10,636	10,583	11,007
Auburntown	3,270	2,824	3,075	3,309	3,186	3,050	3,035	3,157
Baileyton	5,242	4,527	4,927	5,301	5,104	4,887	4,863	5,058
Baneberry	6,288	5,430	5,510	5,928	5,708	5,466	5,438	5,656
Bartlett	694,776	599,976	645,691	694,770	668,931	640,545	637,351	662,887
Baxter	18,973	16,384	15,603	16,789	16,164	15,478	15,401	16,018
Bean Station	35,673	30,806	34,909	37,562	36,165	34,631	34,458	35,839
Beersheba Springs	5,218	4,506	5,452	5,867	5,649	5,409	5,382	5,598
Bell Buckle	4,930	4,257	5,715	6,150	5,921	5,670	5,641	5,868
Belle Meade	34,879	30,120	33,286	35,816	34,484	33,021	32,856	34,172
Bells	29,613	25,573	27,856	29,974	28,859	27,634	27,497	28,598
Benton	18,311	15,813	15,831	17,035	16,401	15,705	15,627	16,253
Berry Hill	25,393	21,928	11,008	11,844	11,404	10,920	10,865	6,302
Bethel Springs	8,921	7,704	8,207	8,831	8,503	8,142	8,101	8,426
Big Sandy	6,523	5,726	7,046	7,530	7,276	6,996	6,964	7,216
Blaine	25,056	21,638	21,215	22,828	21,979	21,046	20,941	21,780
Bluff City	22,357	19,367	20,259	21,765	20,972	20,101	20,003	20,787
Bolivar	62,581	54,042	61,919	66,626	64,148	61,426	61,120	63,569
Braden	3,066	2,648	3,223	3,468	3,339	3,198	3,182	3,309
Bradford	12,059	10,417	12,003	12,913	12,434	11,907	11,848	12,322
Brentwood	545,531	471,095	501,677	539,809	519,734	458,127	455,842	474,106
Brighton	34,723	29,985	31,263	33,639	32,388	31,013	30,859	32,095
Bristol	329,957	285,422	308,781	331,981	319,767	306,349	304,839	316,910
Brownsville	117,848	101,791	117,808	126,750	122,043	116,871	116,289	120,942
Bruceton	18,119	15,647	16,894	18,179	17,502	16,760	16,676	17,344
Bulls Gap	9,090	7,849	8,436	9,077	8,739	8,369	8,327	8,660
Burlison	4,413	3,810	4,858	5,227	5,033	4,819	4,795	4,987
Burns	18,913	16,332	16,780	18,056	17,384	16,646	16,563	17,227
Byrdstown	9,595	8,285	9,179	9,876	9,509	9,106	9,060	9,423
Calhoun	6,444	5,565	5,601	6,027	5,803	5,556	5,529	5,750
Camden	44,173	38,146	40,944	44,057	42,418	40,618	40,416	42,035
Carthage	27,545	23,787	26,359	28,362	27,308	26,149	26,018	27,061
Caryville	26,595	22,967	26,256	28,252	27,201	26,047	25,917	26,955
Cedar Hill	3,619	3,125	3,589	3,862	3,718	3,561	3,543	3,685
Celina	17,097	14,764	17,089	18,388	17,704	16,953	16,868	17,544
Centertown	3,571	3,084	2,778	2,989	2,878	2,755	2,742	2,852

Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year (continued)

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Centerville	42,624	36,830	41,811	44,977	43,310	41,479	41,273	42,921
Chapel Hill	20,644	17,827	16,517	17,773	17,112	16,386	16,304	16,957
Charleston	10,725	6,894	7,441	8,007	7,709	7,382	7,345	7,639
Charlotte	19,911	17,194	14,117	15,190	14,625	14,004	13,934	14,493
Chattanooga	2,220,419	1,923,319	1,959,629	2,105,311	2,028,614	1,944,355	1,934,875	2,010,675
Church Hill	84,139	72,658	77,008	82,861	79,780	76,394	76,013	79,059
Clarksburg	4,557	3,935	4,492	4,834	4,654	4,456	4,434	4,612
Clarksville	2,004,589	1,731,075	1,519,503	1,634,997	1,574,193	1,507,393	1,499,878	1,559,970
Cleveland	570,136	492,447	472,674	508,544	489,660	468,913	466,579	485,242
Clifton	31,874	27,525	30,794	33,135	31,902	30,549	30,396	31,614
Clinton	123,036	106,539	114,618	123,169	118,667	113,722	113,165	117,614
Coalmont	9,426	8,140	9,613	10,344	9,959	9,537	9,489	9,869
Collegedale	133,566	115,342	94,668	101,864	98,075	93,914	93,445	97,189
Collierville	617,082	532,883	520,663	560,239	539,403	516,514	513,938	534,530
Collinwood	10,797	9,324	11,225	12,078	11,629	11,135	11,080	11,524
Columbia	507,154	438,760	402,328	432,461	416,597	399,169	397,208	412,886
Cookeville	418,914	361,755	356,108	383,176	368,926	353,270	351,509	365,593
Coopertown	53,864	46,515	48,900	52,617	50,660	48,510	48,268	50,202
Copperhill	5,326	4,600	4,046	4,354	4,192	4,014	3,994	4,154
Cornersville	14,765	12,750	13,648	14,686	14,139	13,539	13,472	14,012
Cottage Grove	794	685	1,006	1,082	1,042	998	993	1,033
Covington	104,158	89,946	103,310	111,162	107,028	102,486	101,975	106,061
Cowan	21,399	18,513	20,105	21,614	20,819	19,946	19,848	20,633
Crab Orchard	8,657	7,476	8,596	9,249	8,905	8,527	8,485	8,825
Cross Plains	21,510	18,575	19,592	21,081	20,297	19,436	19,339	20,114
Crossville	145,133	125,330	132,183	142,231	136,941	124,984	124,361	129,343
Crump	19,165	16,550	16,323	17,564	16,910	16,193	16,112	16,758
Cumberland City	16,834	16,333	16,721	16,992	16,849	16,693	16,676	16,816
Cumberland Gap	3,763	3,250	5,647	6,076	5,850	5,602	5,574	5,797
Dandridge	41,016	35,530	32,953	35,396	34,110	32,697	32,538	33,809
Dayton	87,496	75,906	84,749	90,997	87,708	84,094	83,688	86,938
Decatur	18,792	16,228	18,266	19,654	18,924	18,121	18,030	18,753
Decaturville	9,778	8,455	9,986	10,739	10,343	9,907	9,858	10,250
Decherd	28,624	24,722	27,009	29,060	27,980	26,794	26,660	27,727
Dickson	193,070	166,726	166,178	178,809	172,159	164,853	164,032	170,604
Dover	21,954	18,959	16,197	17,428	16,780	16,068	15,988	16,629
Dowelltown	4,112	3,551	4,058	4,366	4,204	4,026	4,005	4,166
Doyle	5,927	5,119	6,138	6,605	6,359	6,089	6,059	6,302
Dresden	36,298	31,345	34,349	36,960	35,585	34,075	33,905	35,264
Ducktown	5,543	4,786	5,430	5,842	5,625	5,386	5,359	5,574
Dunlap	64,431	55,643	55,061	59,245	57,042	54,622	54,350	56,527
Dyer	27,750	23,963	26,759	28,793	27,722	26,546	26,413	27,472
Dyersburg	194,344	167,826	195,977	210,874	203,031	194,415	193,446	201,197
Eagleville	9,775	8,441	6,904	7,429	7,153	6,849	6,815	7,088
East Ridge	266,520	230,154	239,802	258,030	248,433	237,891	236,705	246,189
Eastview	9,174	7,922	8,059	8,671	8,349	7,994	7,954	8,273
Elizabethton	176,179	152,316	163,329	175,645	169,161	162,037	161,236	167,644
Elkton	6,553	5,659	6,607	7,109	6,845	6,554	6,522	6,783
Englewood	19,021	16,588	18,702	20,034	19,333	18,563	18,476	19,169

**Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Enville	2,260	1,952	2,160	2,325	2,238	2,143	2,132	2,218
Erin	14,716	12,708	15,134	16,284	15,679	15,013	14,939	15,537
Erwin	73,162	63,182	69,717	75,014	72,225	69,161	68,816	71,573
Estill Springs	29,654	25,935	25,888	27,673	26,733	25,700	25,584	26,513
Ethridge	6,456	5,576	5,315	5,719	5,507	5,273	5,247	5,457
Etowah	43,320	37,409	39,893	42,925	41,329	39,575	39,377	40,955
Fairview	112,502	97,151	91,468	98,420	94,760	90,739	90,286	90,594
Farragut	282,619	244,056	259,200	278,902	268,529	257,134	255,852	242,633
Fayetteville	85,033	73,437	78,089	84,020	80,898	77,467	77,081	80,167
Finger	3,318	2,866	3,406	3,665	3,529	3,379	3,362	3,497
Forest Hills	60,573	52,308	57,610	61,989	59,684	57,151	56,866	59,144
Franklin	1,003,531	866,622	810,662	872,269	839,835	804,202	748,991	778,995
Friendship	7,375	6,369	7,641	8,221	7,915	7,580	7,542	7,844
Friendsville	10,773	9,303	10,436	11,229	10,812	10,353	10,301	10,714
Gadsden	5,639	4,870	5,372	5,781	5,566	5,330	5,303	5,515
Gainesboro	11,061	9,552	10,996	11,832	11,392	10,909	10,854	11,289
Gallatin	534,206	461,315	394,046	423,998	408,229	390,906	388,957	355,313
Galloway	6,348	5,482	7,773	8,364	8,053	7,711	7,672	7,980
Garland	3,475	3,001	3,543	3,813	3,671	3,515	3,498	3,638
Gates	7,983	6,894	7,396	7,958	7,662	7,337	7,300	7,593
Gatlinburg	43,007	37,139	45,082	48,509	46,705	44,723	44,500	46,283
Germantown	496,957	429,149	458,629	493,490	475,137	454,974	452,706	470,844
Gibson	4,401	3,800	4,527	4,871	4,689	4,490	4,468	4,647
Gilt Edge	5,723	4,942	5,452	5,867	5,649	5,409	5,382	5,598
Gleason	16,460	14,214	16,517	17,773	17,112	16,386	16,304	16,957
Goodlettsville	213,882	184,698	181,986	195,819	188,537	180,536	179,636	186,833
Gordonsville	16,388	14,152	13,865	14,919	14,364	13,755	13,686	14,235
Grand Junction	4,064	3,509	3,715	3,997	3,849	3,685	3,667	3,814
Greysville	17,686	15,273	17,169	18,474	17,787	17,032	16,947	17,626
Greenback	13,250	11,442	12,162	13,087	12,600	12,065	12,005	12,486
Greenbrier	82,936	71,620	73,533	79,122	76,180	72,947	72,583	75,491
Greeneville	186,325	160,931	172,384	185,471	178,581	171,012	170,160	176,969
Greenfield	24,419	21,087	24,942	26,837	25,839	24,743	24,619	25,606
Gruetli-Laager	20,945	18,087	20,724	22,299	21,470	20,558	20,456	21,276
Guys	4,978	4,298	5,327	5,732	5,518	5,284	5,258	5,469
Halls	25,141	21,710	25,776	27,735	26,704	25,571	25,443	26,462
Harriman	73,839	64,173	75,582	81,100	78,195	75,004	74,645	77,516
Harrogate	52,902	45,684	50,169	53,982	51,975	49,769	49,521	51,505
Hartsville	32,751	28,283	27,079	29,137	28,054	26,863	26,729	27,800
Henderson	75,843	65,494	72,116	77,597	74,711	71,541	71,184	74,036
Hendersonville	742,472	641,164	587,212	631,846	608,348	582,532	579,628	602,851
Henning	10,472	9,043	10,802	11,623	11,191	10,716	10,662	11,090
Henry	5,362	4,631	5,304	5,707	5,495	5,262	5,235	5,445
Hickory Valley	938	810	1,132	1,218	1,172	1,123	1,117	1,162
Hohenwald	44,355	38,337	43,198	46,463	44,744	42,856	42,644	44,342
Hollow Rock	8,212	7,091	8,207	8,831	8,503	8,142	8,101	8,426
Hornbeak	6,144	5,306	6,093	6,556	6,312	6,044	6,014	6,255
Hornsby	3,174	2,741	3,463	3,727	3,588	3,436	3,419	3,556
Humboldt	94,675	81,757	96,615	103,958	100,092	95,845	95,367	99,188

Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year (continued)

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Huntingdon	53,371	46,089	45,551	49,013	47,190	45,188	44,963	46,764
Huntland	10,653	9,199	9,967	10,725	10,326	9,888	9,839	10,233
Huntsville	15,270	13,186	18,095	19,470	18,746	17,950	17,861	18,577
Jacksboro	27,726	23,943	23,090	24,845	23,921	22,906	22,792	23,705
Jackson	821,607	709,714	746,960	803,618	773,789	741,019	737,332	766,812
Jamestown	23,265	20,091	22,393	24,095	23,198	22,214	22,103	22,989
Jasper	43,428	37,502	37,984	40,871	39,351	37,681	37,493	38,995
Jefferson City	101,656	87,845	97,478	104,855	100,971	96,705	96,225	100,063
Jellico	25,898	22,364	26,919	28,965	27,888	26,704	26,571	27,636
Johnson City	857,217	740,663	724,876	779,745	750,858	719,123	715,553	744,102
Jonesborough	70,456	60,843	57,736	62,124	59,814	57,276	56,990	59,274
Kenton	14,488	12,511	14,643	15,756	15,170	14,526	14,453	15,033
Kimball	18,576	16,041	15,946	17,158	16,520	15,819	15,740	16,370
Kingsport	666,594	575,639	586,092	630,641	607,187	581,421	578,522	601,701
Kingston	74,394	64,628	70,648	75,804	73,090	70,108	69,772	72,455
Kingston Springs	33,954	29,321	31,503	33,897	32,637	31,252	31,096	32,342
Knoxville	2,330,833	2,017,916	2,082,150	2,237,563	2,155,743	2,065,855	2,055,742	2,136,605
Lafayette	67,138	57,977	51,140	55,028	52,981	50,733	50,480	52,502
Lafollette	89,496	77,307	85,390	91,868	88,458	84,711	84,289	87,660
Lagrange	1,479	1,277	1,520	1,636	1,575	1,508	1,501	1,561
Lakeland	167,171	144,361	142,082	152,882	147,196	140,950	140,247	145,866
Lakesite	22,315	19,270	20,872	22,459	21,624	20,706	20,603	21,428
La Vergne	465,529	402,009	393,372	423,272	407,531	369,531	367,689	382,421
Lawrenceburg	139,867	120,782	119,198	128,258	123,488	118,248	117,659	122,373
Lebanon	462,851	399,804	374,931	403,370	388,398	371,949	370,099	308,125
Lenoir City	123,164	106,566	100,307	107,816	103,863	99,520	99,032	102,938
Lewisburg	148,415	128,256	127,552	137,196	132,119	126,541	125,914	130,931
Lexington	95,856	82,804	87,666	94,314	90,814	86,969	86,536	89,995
Liberty	4,016	3,468	3,543	3,813	3,671	3,515	3,498	3,638
Linden	11,994	10,358	10,386	11,175	10,759	10,303	10,252	10,662
Livingston	46,951	40,545	46,385	49,911	48,055	46,016	45,786	47,621
Lobelville	11,049	9,542	10,253	11,033	10,622	10,172	10,121	10,526
Lookout Mountain	24,744	21,368	20,941	22,533	21,695	20,774	20,670	21,499
Loretto	20,908	18,056	19,592	21,081	20,297	19,436	19,339	20,114
Loudon	75,304	65,475	64,781	69,456	66,994	64,290	63,986	66,419
Louisville	52,710	45,518	45,951	49,444	47,605	45,585	45,357	47,175
Luttrell	12,228	10,559	12,276	13,210	12,718	12,179	12,118	12,603
Lynchburg	5,592	4,839	6,612	7,109	6,847	6,560	6,527	6,786
Lynnville	3,566	3,087	3,336	3,586	3,454	3,310	3,294	3,424
Madisonville	61,703	53,284	52,318	56,294	54,201	51,901	51,642	53,711
Manchester	146,828	126,794	115,472	124,249	119,628	114,551	113,980	118,547
Martin	130,565	112,806	131,556	141,524	136,276	130,511	129,862	135,049
Maryville	383,626	331,282	314,753	338,677	326,081	312,244	310,687	323,135
Mason	16,075	13,882	18,392	19,790	19,054	18,245	18,154	18,882
Maury City	7,010	6,053	7,704	8,290	7,982	7,643	7,605	7,909
Maynardville	29,529	25,500	27,582	29,679	28,575	27,362	27,226	28,317
McEwen	19,907	17,212	20,157	21,677	20,877	19,997	19,898	20,690
McKenzie	66,477	57,406	60,696	65,310	62,881	60,213	59,912	62,313
McLemoresville	3,463	2,990	4,024	4,329	4,168	3,992	3,972	4,131

**Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
McMinnville	166,035	143,416	155,772	167,592	161,369	154,532	153,763	159,913
Medina	61,631	53,222	55,118	59,308	57,102	54,679	49,487	51,470
Medon	2,272	1,962	2,583	2,780	2,676	2,563	2,550	2,652
Memphis	7,809,000	6,770,368	7,591,343	8,153,386	7,857,488	7,532,413	7,495,841	7,788,276
Michie	8,164	7,050	6,755	7,269	6,999	6,702	6,668	6,935
Middleton	7,911	6,832	8,070	8,683	8,360	8,006	7,966	8,285
Milan	98,242	84,837	89,742	96,563	92,972	89,026	88,582	92,132
Milledgeville	3,258	2,814	3,029	3,259	3,138	3,005	2,990	3,110
Millersville	75,735	65,401	73,613	79,208	76,263	73,026	72,662	75,573
Millington	127,230	109,870	127,245	136,917	131,825	126,231	125,602	130,634
Minor Hill	6,060	5,233	6,138	6,605	6,359	6,089	6,059	6,302
Mitchellville	1,960	1,692	2,160	2,325	2,238	2,143	2,132	2,218
Monteagle	16,748	14,463	13,625	14,661	14,116	13,517	13,449	13,988
Monterey	33,084	28,579	32,645	35,121	33,818	32,386	32,224	33,513
Morrison	8,813	7,611	7,933	8,536	8,218	7,870	7,830	8,144
Morristown	365,880	315,957	333,053	358,368	345,041	330,399	328,751	341,923
Moscow	6,877	5,939	6,355	6,838	6,584	6,305	6,273	6,525
Mosheim	29,806	25,739	26,999	29,051	27,971	26,784	26,650	27,718
Mount Carmel	65,803	56,825	62,057	66,774	64,290	61,562	61,255	63,709
Mount Juliet	472,382	407,927	358,646	385,907	371,555	319,309	317,717	330,446
Mount Pleasant	64,042	50,038	58,583	63,008	60,678	52,086	51,828	53,890
Mountain City	29,036	25,074	28,931	31,130	29,972	28,700	28,557	29,701
Munford	75,771	65,432	69,841	75,149	72,355	69,284	66,874	69,553
Murfreesboro	1,837,713	1,587,090	1,405,796	1,512,580	1,456,362	1,237,287	1,231,123	1,280,412
Nashville	6,157,376	5,318,165	5,148,424	5,539,230	5,333,483	4,876,338	4,852,060	5,046,186
New Hope	11,867	10,248	12,368	13,308	12,813	12,269	12,208	12,697
New Johnsonville	22,176	19,217	22,787	24,482	23,590	22,610	22,499	23,381
New Market	16,219	14,006	15,248	16,407	15,797	15,127	15,051	15,655
New Tazewell	33,292	28,750	34,715	37,353	35,964	34,438	34,266	35,639
Newbern	40,266	34,772	37,870	40,748	39,233	37,568	37,380	38,878
Newport	82,721	71,454	79,531	85,565	82,388	78,898	78,505	81,645
Niota	10,726	9,459	9,662	10,287	9,958	9,597	9,556	9,881
Nolensville	166,270	143,583	126,845	136,487	131,411	89,990	89,541	93,129
Normandy	1,299	1,121	1,612	1,734	1,670	1,599	1,591	1,655
Norris	19,225	16,602	18,620	20,036	19,291	18,472	18,380	19,116
Oak Hill	58,806	50,782	53,598	57,672	55,527	53,171	52,906	55,025
Oak Ridge	380,837	329,321	338,542	364,025	350,609	335,870	334,212	347,471
Oakdale	2,296	1,983	2,423	2,607	2,511	2,404	2,392	2,488
Oakland	107,440	92,780	75,705	81,459	78,430	75,101	74,727	77,721
Obion	11,915	10,289	12,791	13,763	13,251	12,689	12,626	13,131
Oliver Springs	39,641	34,232	36,932	39,739	38,262	36,638	36,455	37,916
Oneida	45,532	39,319	42,888	46,147	44,431	42,546	42,334	44,030
Orlinda	11,386	9,832	9,819	10,565	10,172	9,741	9,692	10,080
Orme	1,046	903	1,440	1,550	1,492	1,429	1,422	1,479
Palmer	6,625	5,721	7,681	8,265	7,958	7,620	7,582	7,886
Paris	124,032	107,108	116,089	124,913	120,267	115,164	114,590	119,181
Parkers Crossroads	3,415	2,949	3,772	4,059	3,908	3,742	3,723	3,873
Parrottsville	2,609	2,253	3,006	3,235	3,114	2,982	2,967	3,086
Parsons	25,743	22,298	27,619	29,680	28,595	27,403	27,268	28,341

Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee by Tennessee Fiscal Year (continued)

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Pegram	24,912	21,513	23,924	25,743	24,785	23,734	23,615	24,561
Petersburg	6,729	5,863	6,599	7,071	6,823	6,549	6,518	6,764
Philadelphia	7,298	6,302	7,498	8,068	7,768	7,439	7,402	7,698
Pigeon Forge	76,264	65,858	67,155	72,259	69,572	66,619	66,287	68,943
Pikeville	21,930	18,938	18,380	19,777	19,042	18,234	18,143	18,870
Piperton	27,209	23,496	22,975	24,722	19,326	18,506	18,414	16,957
Pittman Center	5,459	4,714	5,738	6,174	5,945	5,692	5,664	5,891
Plainview	24,768	21,388	24,290	26,136	25,164	24,096	23,976	24,937
Pleasant Hill	6,493	5,607	6,435	6,925	6,667	6,384	6,352	6,607
Pleasant View	57,796	49,910	48,260	51,928	49,997	47,875	46,813	48,689
Portland	158,178	136,595	131,223	141,197	135,946	130,177	129,528	134,718
Powells Crossroads	15,582	13,456	15,111	16,260	15,655	14,991	14,916	15,514
Pulaski	100,959	87,184	89,959	96,796	93,197	89,242	88,797	92,355
Puryear	8,488	7,330	7,670	8,253	7,946	7,609	7,571	7,874
Ramer	3,908	3,374	3,646	3,924	3,778	3,617	3,599	3,743
Red Bank	143,065	123,544	133,178	143,301	137,971	132,116	131,458	136,725
Red Boiling Springs	14,488	12,511	12,711	13,677	13,168	12,610	12,547	13,049
Ridgely	20,319	17,547	20,518	22,077	21,256	20,354	20,253	21,064
Ridgeside	5,362	4,631	4,458	4,797	4,618	4,422	4,400	4,577
Ridgetop	25,910	22,375	23,478	25,263	24,323	23,291	23,175	21,991
Ripley	93,781	80,985	96,531	103,869	100,006	95,762	95,285	99,102
Rives	2,958	2,554	3,726	4,010	3,860	3,697	3,678	3,826
Rockford	9,883	8,535	9,785	10,528	10,137	9,707	9,658	10,045
Rockwood	65,455	56,524	63,577	68,409	65,865	63,070	62,756	65,270
Rocky Top	20,074	17,403	20,858	22,405	21,590	20,696	20,595	21,400
Rogersville	56,161	48,498	50,523	54,363	52,342	50,121	49,871	51,869
Rossville	12,516	10,808	12,094	13,013	10,670	10,217	10,166	7,792
Rutherford	13,983	12,075	13,157	14,157	13,630	13,052	12,987	13,507
Rutledge	15,883	13,716	14,848	15,977	15,383	14,730	14,657	15,244
Salttillo	5,050	4,361	6,710	7,220	6,951	6,656	6,623	6,888
Samburg	2,525	2,180	2,480	2,669	2,570	2,461	2,448	2,547
Sardis	4,978	4,298	4,355	4,686	4,512	4,320	4,299	4,471
Saulsbury	1,347	1,163	1,280	1,378	1,326	1,270	1,264	1,314
Savannah	86,927	75,094	80,012	86,078	82,884	79,376	78,981	82,137
Scotts Hill	10,544	9,106	11,248	12,103	11,653	11,158	11,102	11,547
Selmer	53,461	46,167	50,254	54,074	52,063	49,854	49,605	51,593
Sevierville	215,084	185,737	169,253	182,118	175,345	167,904	167,067	173,760
Sharon	11,281	9,747	10,830	11,650	11,218	10,744	10,690	11,117
Shelbyville	287,187	248,541	236,396	254,064	244,762	234,544	233,394	242,587
Signal Mountain	106,430	91,908	95,594	102,860	99,035	94,832	94,359	98,140
Silerton	1,166	1,007	1,269	1,365	1,314	1,259	1,252	1,303
Slayden	2,044	1,765	2,035	2,189	2,108	2,018	2,008	2,089
Smithville	60,164	51,955	51,781	55,716	53,644	51,368	51,112	53,160
Smyrna	638,074	551,011	543,193	584,481	562,744	538,864	536,177	469,095
Sneedville	15,414	13,311	15,854	17,059	16,425	15,728	15,649	16,276
Soddy Daisy	157,144	135,702	145,328	156,375	150,559	144,170	143,451	149,199
Somerville	41,059	35,457	35,366	38,054	36,639	35,084	34,909	36,308
South Carthage	17,915	15,470	15,111	16,260	15,655	14,991	14,916	15,514
South Fulton	26,992	23,309	26,908	28,953	27,876	26,693	26,560	27,624

**Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
South Pittsburg	37,664	32,568	34,520	37,119	35,751	34,247	34,078	35,430
Sparta	60,472	52,272	58,344	62,750	60,430	57,882	57,595	59,888
Spencer	17,578	15,180	18,300	19,691	18,959	18,155	18,064	18,788
Spring City	24,804	21,607	24,015	25,736	24,830	23,834	23,722	24,618
Spring Hill	601,223	519,188	462,207	497,339	478,843	414,231	412,166	376,142
Springfield	225,821	195,008	187,919	202,203	194,683	186,421	185,492	192,924
St. Joseph	9,498	8,202	8,939	9,618	9,260	8,867	8,823	9,177
Stanton	5,014	4,330	5,167	5,559	5,353	5,125	5,100	5,304
Stantonville	4,028	3,478	3,235	3,481	3,351	3,209	3,193	3,321
Sunbright	6,240	5,389	6,310	6,789	6,537	6,259	6,228	6,478
Surgoinsville	22,628	19,540	20,586	22,151	21,327	20,422	20,321	21,135
Sweetwater	76,369	66,014	69,176	74,397	71,648	68,628	68,288	71,005
Tazewell	28,231	24,379	25,387	27,317	26,301	25,185	25,059	26,063
Tellico Plains	9,200	7,950	10,097	10,862	10,459	10,017	9,967	10,365
Tennessee Ridge	16,015	13,830	15,637	16,826	16,200	15,512	15,435	16,054
Thompson's Station	89,994	77,715	54,021	58,127	55,965	53,590	30,250	31,462
Three Way	22,568	19,488	19,535	21,020	20,238	19,379	19,283	20,055
Tiptonville	47,804	41,282	51,026	54,905	52,863	50,619	50,367	52,385
Toone	3,246	2,803	4,161	4,477	4,310	4,128	4,107	4,272
Townsend	6,613	5,711	5,121	5,510	5,305	5,080	5,055	5,257
Tracy City	16,905	14,598	16,929	18,215	17,538	16,794	16,710	17,380
Trenton	50,979	44,023	48,740	52,445	50,494	48,352	48,110	50,038
Trezevant	9,607	8,296	9,819	10,565	10,172	9,741	9,692	10,080
Trimble	6,577	5,679	7,281	7,835	7,543	7,223	7,187	7,475
Troy	17,109	14,775	15,671	16,863	16,235	15,546	15,469	16,089
Tullahoma	245,215	211,848	213,912	230,120	221,587	212,212	211,158	219,591
Tusculum	39,653	34,242	30,440	32,753	31,535	30,197	30,046	31,250
Unicoi	46,085	39,797	41,516	44,672	43,010	41,185	40,980	42,622
Union City	134,300	115,975	124,536	134,002	129,019	123,544	122,928	127,853
Vanleer	4,497	3,883	4,515	4,858	4,678	4,479	4,457	4,635
Viola	1,118	966	1,497	1,611	1,551	1,485	1,478	1,537
Vonore	18,925	16,342	16,849	18,129	17,455	16,714	16,631	17,297
Walden	23,818	20,568	21,695	23,344	22,476	21,522	21,415	22,273
Wartburg	10,196	8,805	10,493	11,291	10,871	10,410	10,358	10,773
Wartrace	7,851	6,780	7,441	8,007	7,709	7,382	7,345	7,639
Watauga	4,244	3,665	5,235	5,633	5,424	5,193	5,168	5,375
Watertown	18,672	16,124	16,883	18,166	17,491	16,748	16,665	17,333
Waverly	51,664	44,615	46,923	50,489	48,611	46,549	46,317	48,172
Waynesboro	27,858	24,057	27,994	30,121	29,001	27,770	27,632	28,739
Westmoreland	32,679	28,220	25,216	27,133	26,123	25,015	24,890	25,887
White Bluff	46,434	40,098	36,646	39,432	37,965	36,354	36,173	37,622
White House	156,086	134,789	132,595	142,673	137,367	131,538	115,707	120,343
White Pine	29,709	25,656	25,102	27,010	26,005	24,902	24,777	25,770
Whiteville	54,874	27,057	53,015	57,045	54,923	52,593	52,330	54,427
Whitwell	19,730	17,038	19,421	20,897	20,120	19,266	19,170	19,938
Williston	4,196	3,624	4,515	4,858	4,678	4,479	4,457	4,635
Winchester	115,752	100,372	100,537	107,948	104,046	99,760	99,278	103,134
Winfield	11,386	9,832	11,945	12,853	12,375	11,850	11,791	12,263
Woodbury	32,499	28,065	30,634	32,962	31,737	30,390	30,238	31,450

**Appendix D: Distribution of Cities' Share of TVA Payments in Lieu of Taxes to Tennessee
 by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Woodland Mills	4,160	3,592	4,321	4,649	4,476	4,286	4,265	4,436
Yorkville	2,837	2,450	3,269	3,518	3,387	3,243	3,227	3,356
Total	\$ 48,385,315	\$ 41,804,128	\$ 42,492,115	\$ 45,694,727	\$ 44,002,320	\$ 41,552,235	\$ 41,237,328	\$ 42,569,233

Source: Tennessee Department of Revenue.

Appendix E: Impact Payments Distributed to Counties in Areas Affected by TVA Construction by Tennessee Fiscal Year

County	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Anderson	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bedford	-	-	-	-	-	-	-	-
Benton	-	-	-	-	-	-	-	-
Bledsoe	-	-	-	-	-	-	-	-
Blount	-	-	-	-	-	-	-	-
Bradley	-	-	-	-	-	-	-	-
Campbell	-	-	-	-	-	-	-	-
Cannon	-	-	-	-	-	-	-	-
Carroll	-	-	-	-	-	-	-	-
Carter	-	-	-	-	-	-	-	-
Cheatham	-	-	-	-	-	-	-	-
Chester	-	-	-	-	-	-	-	-
Claiborne	-	-	-	-	-	-	-	-
Clay	-	-	-	-	-	-	-	-
Cocke	-	-	-	-	-	-	-	-
Coffee	-	-	-	-	-	-	-	-
Crockett	-	-	-	-	-	-	-	-
Cumberland	-	-	-	-	-	-	-	-
Davidson	-	-	-	-	-	-	-	-
Decatur	-	-	-	-	-	-	-	-
DeKalb	-	-	-	-	-	-	-	-
Dickson	-	-	-	-	-	-	-	-
Dyer	-	-	-	-	-	-	-	-
Fayette	-	-	-	-	-	-	-	-
Fentress	-	-	-	-	-	-	-	-
Franklin	-	-	-	-	-	-	-	-
Gibson	-	-	-	-	-	-	-	-
Giles	-	-	-	-	-	-	-	-
Grainger	-	-	-	-	-	-	-	-
Greene	-	-	-	-	-	-	-	-
Grundy	-	-	-	-	-	-	-	-
Hamblen	-	-	-	-	-	-	-	-
Hamilton	-	-	-	-	-	-	-	-
Hancock	-	-	-	-	-	-	-	-
Hardeman	-	-	-	-	-	-	-	-
Hardin	-	-	-	-	-	-	-	-
Hawkins	-	-	-	-	-	-	94,093	192,291
Haywood	-	-	-	-	-	-	-	-
Henderson	-	-	-	-	-	-	-	-
Henry	-	-	-	-	-	-	-	-
Hickman	-	-	-	-	-	-	-	-
Houston	-	-	-	-	-	-	-	-
Humphreys	-	-	-	-	-	-	-	-
Jackson	-	-	-	-	-	-	-	-
Jefferson	-	-	-	-	-	-	-	-
Johnson	-	-	-	-	-	-	-	-
Knox	-	-	-	-	-	-	-	-
Lake	-	-	-	-	-	-	-	-
Lauderdale	-	-	-	-	-	-	-	-
Lawrence	-	-	-	-	-	-	-	-

Appendix E: Impact Payments Distributed to Counties in Areas Affected by TVA Construction by Tennessee Fiscal Year (continued)

County	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Lewis	-	-	-	-	-	-	-	-
Lincoln	-	-	-	-	-	-	-	-
Loudon	-	-	-	-	-	-	-	-
Macon	-	-	-	-	-	-	-	-
Madison	-	-	-	-	-	-	-	-
Marion	-	-	-	-	-	-	-	-
Marshall	-	-	-	-	-	-	-	-
Maury	-	-	-	-	-	-	-	-
McMinn	181,010	-	-	-	26	9,785	39,170	160,097
McNairy	-	-	-	-	-	-	-	-
Meigs	892,984	-	-	-	200,358	380,086	569,656	776,106
Monroe	154,465	-	-	-	22	8,363	33,425	136,614
Montgomery	-	-	-	-	-	-	-	-
Moore	-	-	-	-	-	-	-	-
Morgan	-	-	-	-	-	-	-	-
Obion	-	-	-	-	-	-	-	-
Overton	-	-	-	-	-	-	-	-
Perry	-	-	-	-	-	-	-	-
Pickett	-	-	-	-	-	-	-	-
Polk	-	-	-	-	-	-	-	-
Putnam	-	-	-	-	-	-	-	-
Rhea	759,968	-	-	-	170,414	323,282	484,521	660,117
Roane	284,514	-	-	-	117,906	223,672	335,230	456,721
Robertson	-	-	-	-	-	-	-	-
Rutherford	-	-	-	-	-	-	-	-
Scott	-	-	-	-	-	-	-	-
Sequatchie	-	-	-	-	-	-	-	-
Sevier	-	-	-	-	-	-	-	-
Shelby	-	113,440	229,972	372,309	481,630	457,129	456,750	-
Smith	-	-	-	-	-	-	-	-
Stewart	-	-	-	-	-	-	-	-
Sullivan	658,710	562,001	582,549	628,740	610,017	578,612	578,132	-
Sumner	-	124,693	252,373	408,575	528,545	501,334	501,840	501,559
Tipton	-	-	-	-	-	-	-	-
Trousdale	-	-	-	-	-	-	-	-
Unicoi	-	-	-	-	-	-	-	-
Union	-	-	-	-	-	-	-	-
Van Buren	-	-	-	-	-	-	-	-
Warren	-	-	-	-	-	-	-	-
Washington	641,718	547,504	563,768	608,469	590,350	559,958	559,493	-
Wayne	-	-	-	-	-	-	-	-
Weakley	-	-	-	-	-	-	-	-
White	-	-	-	-	-	-	-	-
Williamson	-	-	-	-	-	-	-	-
Wilson	-	-	-	-	-	-	-	-
Total	\$ 3,573,369	\$ 1,347,638	\$ 1,628,661	\$ 2,018,093	\$ 2,699,268	\$ 3,042,223	\$ 3,652,310	\$ 2,883,505

Source: Tennessee Department of Revenue.

Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction by Tennessee Fiscal Year

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Adams	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adamsville	-	-	-	-	-	-	-	-
Alamo	-	-	-	-	-	-	-	-
Alcoa	-	-	-	-	-	-	-	-
Alexandria	-	-	-	-	-	-	-	-
Algood	-	-	-	-	-	-	-	-
Allardt	-	-	-	-	-	-	-	-
Altamont	-	-	-	-	-	-	-	-
Ardmore	-	-	-	-	-	-	-	-
Arlington	-	1,775	3,277	5,305	6,862	5,958	5,953	-
Ashland City	-	-	-	-	-	-	-	-
Athens	47,852	-	-	-	7	2,520	10,086	41,224
Atoka	-	-	-	-	-	-	-	-
Atwood	-	-	-	-	-	-	-	-
Auburntown	-	-	-	-	-	-	-	-
Baileyton	-	-	-	-	-	-	-	-
Baneberry	-	-	-	-	-	-	-	-
Bartlett	-	7,051	14,004	22,671	29,328	27,836	27,813	-
Baxter	-	-	-	-	-	-	-	-
Bean Station	-	-	-	-	-	-	5,056	10,333
Beersheba Springs	-	-	-	-	-	-	-	-
Bell Buckle	-	-	-	-	-	-	-	-
Belle Meade	-	-	-	-	-	-	-	-
Bells	-	-	-	-	-	-	-	-
Benton	-	-	-	-	-	-	-	-
Berry Hill	-	-	-	-	-	-	-	-
Bethel Springs	-	-	-	-	-	-	-	-
Big Sandy	-	-	-	-	-	-	-	-
Blaine	-	-	-	-	-	-	-	-
Bluff City	7,588	6,474	6,438	6,948	6,741	6,394	6,389	-
Bolivar	-	-	-	-	-	-	-	-
Braden	-	-	-	-	-	-	-	-
Bradford	-	-	-	-	-	-	-	-
Brentwood	-	-	-	-	-	-	-	-
Brighton	-	-	-	-	-	-	-	-
Bristol	113,061	96,462	99,190	107,054	103,867	98,519	98,438	-
Brownsville	-	-	-	-	-	-	-	-
Bruceton	-	-	-	-	-	-	-	-
Bulls Gap	-	-	-	-	-	-	1,222	2,497
Burlison	-	-	-	-	-	-	-	-
Burns	-	-	-	-	-	-	-	-
Byrdstown	-	-	-	-	-	-	-	-
Calhoun	1,821	-	-	-	0.24	92	367	1,501
Camden	-	-	-	-	-	-	-	-
Carthage	-	-	-	-	-	-	-	-
Caryville	-	-	-	-	-	-	-	-
Cedar Hill	-	-	-	-	-	-	-	-
Celina	-	-	-	-	-	-	-	-
Centertown	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
 by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Centerville	-	-	-	-	-	-	-	-
Chapel Hill	-	-	-	-	-	-	-	-
Charleston	-	-	-	-	-	-	-	-
Charlotte	-	-	-	-	-	-	-	-
Chattanooga	-	-	-	-	-	-	-	-
Church Hill	-	-	-	-	-	-	11,154	22,794
Clarksburg	-	-	-	-	-	-	-	-
Clarksville	-	-	-	-	-	-	-	-
Cleveland	-	-	-	-	-	-	-	-
Clifton	-	-	-	-	-	-	-	-
Clinton	-	-	-	-	-	-	-	-
Coalmont	-	-	-	-	-	-	-	-
Collegedale	-	-	-	-	-	-	-	-
Collierville	-	6,262	11,292	18,281	23,649	22,446	22,428	-
Collinwood	-	-	-	-	-	-	-	-
Columbia	-	-	-	-	-	-	-	-
Cookeville	-	-	-	-	-	-	-	-
Coopertown	-	-	-	-	-	-	-	-
Copperhill	-	-	-	-	-	-	-	-
Cornersville	-	-	-	-	-	-	-	-
Cottage Grove	-	-	-	-	-	-	-	-
Covington	-	-	-	-	-	-	-	-
Cowan	-	-	-	-	-	-	-	-
Crab Orchard	-	-	-	-	-	-	-	-
Cross Plains	-	-	-	-	-	-	-	-
Crossville	-	-	-	-	-	-	-	-
Crump	-	-	-	-	-	-	-	-
Cumberland City	-	-	-	-	-	-	-	-
Cumberland Gap	-	-	-	-	-	-	-	-
Dandridge	-	-	-	-	-	-	-	-
Dayton	163,346	-	-	-	38,525	73,084	109,535	149,231
Decatur	109,401	-	-	-	27,242	51,679	77,453	105,523
Decaturville	-	-	-	-	-	-	-	-
Decherd	-	-	-	-	-	-	-	-
Dickson	-	-	-	-	-	-	-	-
Dover	-	-	-	-	-	-	-	-
Dowelltown	-	-	-	-	-	-	-	-
Doyle	-	-	-	-	-	-	-	-
Dresden	-	-	-	-	-	-	-	-
Ducktown	-	-	-	-	-	-	-	-
Dunlap	-	-	-	-	-	-	-	-
Dyer	-	-	-	-	-	-	-	-
Dyersburg	-	-	-	-	-	-	-	-
Eagleville	-	-	-	-	-	-	-	-
East Ridge	-	-	-	-	-	-	-	-
Eastview	-	-	-	-	-	-	-	-
Elizabethton	-	-	-	-	-	-	-	-
Elkton	-	-	-	-	-	-	-	-
Englewood	5,039	-	-	-	1	287	1,148	4,693

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Enville	-	-	-	-	-	-	-	-
Erin	-	-	-	-	-	-	-	-
Erwin	-	-	-	-	-	-	-	-
Estill Springs	-	-	-	-	-	-	-	-
Ethridge	-	-	-	-	-	-	-	-
Etowah	12,242	-	-	-	2	653	2,616	10,690
Fairview	-	-	-	-	-	-	-	-
Farragut	-	-	-	-	-	-	-	-
Fayetteville	-	-	-	-	-	-	-	-
Finger	-	-	-	-	-	-	-	-
Forest Hills	-	-	-	-	-	-	-	-
Franklin	-	-	-	-	-	-	-	-
Friendship	-	-	-	-	-	-	-	-
Friendsville	-	-	-	-	-	-	-	-
Gadsden	-	-	-	-	-	-	-	-
Gainesboro	-	-	-	-	-	-	-	-
Gallatin	-	28,226	54,157	87,677	113,421	107,582	107,690	94,533
Gallaway	-	-	-	-	-	-	-	-
Garland	-	-	-	-	-	-	-	-
Gates	-	-	-	-	-	-	-	-
Gatlinburg	-	-	-	-	-	-	-	-
Germantown	-	5,043	9,947	16,103	20,832	19,772	19,756	-
Gibson	-	-	-	-	-	-	-	-
Gilt Edge	-	-	-	-	-	-	-	-
Gleason	-	-	-	-	-	-	-	-
Goodlettsville	-	4,037	8,801	14,248	18,431	17,482	17,500	49,708
Gordonsville	-	-	-	-	-	-	-	-
Grand Junction	-	-	-	-	-	-	-	-
Graysville	34,010	-	-	-	8,047	15,265	22,879	31,170
Greenback	-	-	-	-	-	-	-	-
Greenbrier	-	-	-	-	-	-	-	-
Greeneville	-	-	-	-	-	-	-	-
Greenfield	-	-	-	-	-	-	-	-
Gruetli-Laager	-	-	-	-	-	-	-	-
Guys	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-
Harriman	31,390	-	-	-	13,819	26,214	39,289	53,528
Harrogate	-	-	-	-	-	-	-	-
Hartsville	-	-	-	-	-	-	-	-
Henderson	-	-	-	-	-	-	-	-
Hendersonville	-	39,230	80,705	130,657	169,021	160,320	160,481	160,392
Henning	-	-	-	-	-	-	-	-
Henry	-	-	-	-	-	-	-	-
Hickory Valley	-	-	-	-	-	-	-	-
Hohenwald	-	-	-	-	-	-	-	-
Hollow Rock	-	-	-	-	-	-	-	-
Hornbeak	-	-	-	-	-	-	-	-
Hornsby	-	-	-	-	-	-	-	-
Humboldt	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
 by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Huntingdon	-	-	-	-	-	-	-	-
Huntland	-	-	-	-	-	-	-	-
Huntsville	-	-	-	-	-	-	-	-
Iron City	-	-	-	-	-	-	-	-
Jacksboro	-	-	-	-	-	-	-	-
Jackson	-	-	-	-	-	-	-	-
Jamestown	-	-	-	-	-	-	-	-
Jasper	-	-	-	-	-	-	-	-
Jefferson City	-	-	-	-	-	-	-	-
Jellico	-	-	-	-	-	-	-	-
Johnson City	335,837	286,531	283,447	305,921	296,811	281,531	281,297	-
Jonesborough	28,274	24,123	23,155	24,991	24,247	22,999	22,980	-
Kenton	-	-	-	-	-	-	-	-
Kimball	-	-	-	-	-	-	-	-
Kingsport	219,582	187,344	179,865	194,127	188,346	178,650	263,392	173,482
Kingston	31,715	-	-	-	12,913	24,497	36,715	50,021
Kingston Springs	-	-	-	-	-	-	-	-
Knoxville	-	-	-	-	-	-	-	-
Lafayette	-	-	-	-	-	-	-	-
Lafollette	-	-	-	-	-	-	-	-
Lagrange	-	-	-	-	-	-	-	-
Lakeland	-	1,696	3,082	4,989	6,454	6,125	6,120	-
Lakesite	-	-	-	-	-	-	-	-
Lakewood	-	-	-	-	-	-	-	-
La Vergne	-	-	-	-	-	-	-	-
Lawrenceburg	-	-	-	-	-	-	-	-
Lebanon	-	-	-	-	-	-	-	-
Lenoir City	-	-	-	-	-	-	-	-
Lewisburg	-	-	-	-	-	-	-	-
Lexington	-	-	-	-	-	-	-	-
Liberty	-	-	-	-	-	-	-	-
Linden	-	-	-	-	-	-	-	-
Livingston	-	-	-	-	-	-	-	-
Lobelville	-	-	-	-	-	-	-	-
Lookout Mountain	-	-	-	-	-	-	-	-
Loretto	-	-	-	-	-	-	-	-
Loudon	-	-	-	-	-	-	-	-
Louisville	-	-	-	-	-	-	-	-
Luttrell	-	-	-	-	-	-	-	-
Lynchburg	-	-	-	-	-	-	-	-
Lynnville	-	-	-	-	-	-	-	-
Madisonville	17,140	-	-	-	2	860	3,436	14,045
Manchester	-	-	-	-	-	-	-	-
Martin	-	-	-	-	-	-	-	-
Maryville	-	-	-	-	-	-	-	-
Mason	-	-	-	-	-	-	-	-
Maury City	-	-	-	-	-	-	-	-
Maynardville	-	-	-	-	-	-	-	-
McEwen	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
McKenzie	-	-	-	-	-	-	-	-
McLemoresville	-	-	-	-	-	-	-	-
McMinnville	-	-	-	-	-	-	-	-
Medina	-	-	-	-	-	-	-	-
Medon	-	-	-	-	-	-	-	-
Memphis	-	77,246	160,370	259,628	335,863	318,777	318,513	-
Michie	-	-	-	-	-	-	-	-
Middleton	-	-	-	-	-	-	-	-
Milan	-	-	-	-	-	-	-	-
Milledgeville	-	-	-	-	-	-	-	-
Millersville	-	3,145	7,819	12,658	16,375	15,532	15,548	15,539
Millington	-	1,291	2,760	4,468	5,780	5,486	5,481	-
Minor Hill	-	-	-	-	-	-	-	-
Mitchellville	-	104	297	481	622	590	590	590
Monteagle	-	-	-	-	-	-	-	-
Monterey	-	-	-	-	-	-	-	-
Morrison	-	-	-	-	-	-	-	-
Morristown	-	-	-	-	-	-	-	-
Moscow	-	-	-	-	-	-	-	-
Mosheim	-	-	-	-	-	-	-	-
Mount Carmel	-	-	-	-	-	-	8,988	18,369
Mount Juliet	-	-	-	-	-	-	-	-
Mount Pleasant	-	-	-	-	-	-	-	-
Mountain City	-	-	-	-	-	-	-	-
Munford	-	-	-	-	-	-	-	-
Murfreesboro	-	-	-	-	-	-	-	-
Nashville	-	-	-	-	-	-	-	-
New Hope	-	-	-	-	-	-	-	-
New Johnsonville	-	-	-	-	-	-	-	-
New Market	-	-	-	-	-	-	-	-
New Tazewell	-	-	-	-	-	-	-	-
Newbern	-	-	-	-	-	-	-	-
Newport	-	-	-	-	-	-	-	-
Niota	2,623	-	-	-	-	135	539	2,202
Nolensville	-	-	-	-	-	-	-	-
Normandy	-	-	-	-	-	-	-	-
Norris	-	-	-	-	-	-	-	-
Oak Hill	-	-	-	-	-	-	-	-
Oak Ridge	19,435	-	-	-	63,827	121,081	181,471	247,239
Oakdale	-	-	-	-	-	-	-	-
Oakland	-	-	-	-	-	-	-	-
Obion	-	-	-	-	-	-	-	-
Oliver Springs	4,896	-	-	-	7,031	13,338	19,991	27,236
Oneida	-	-	-	-	-	-	-	-
Orlinda	-	-	-	-	-	-	-	-
Orme	-	-	-	-	-	-	-	-
Palmer	-	-	-	-	-	-	-	-
Paris	-	-	-	-	-	-	-	-
Parkers Crossroads	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
 by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Parrottsville	-	-	-	-	-	-	-	-
Parsons	-	-	-	-	-	-	-	-
Pegram	-	-	-	-	-	-	-	-
Petersburg	-	-	-	-	-	-	-	-
Philadelphia	-	-	-	-	-	-	-	-
Pigeon Forge	-	-	-	-	-	-	-	-
Pikeville	-	-	-	-	-	-	-	-
Piperton	-	-	-	-	-	-	-	-
Pittman Center	-	-	-	-	-	-	-	-
Plainview	-	-	-	-	-	-	-	-
Pleasant Hill	-	-	-	-	-	-	-	-
Pleasant View	-	-	-	-	-	-	-	-
Portland	-	8,330	17,945	29,053	37,583	35,648	35,684	35,842
Powells Crossroads	-	-	-	-	-	-	-	-
Pulaski	-	-	-	-	-	-	-	-
Puryear	-	-	-	-	-	-	-	-
Ramer	-	-	-	-	-	-	-	-
Red Bank	-	-	-	-	-	-	-	-
Red Boiling Springs	-	-	-	-	-	-	-	-
Ridgely	-	-	-	-	-	-	-	-
Ridgeside	-	-	-	-	-	-	-	-
Ridgetop	-	-	-	-	-	-	-	-
Ripley	-	-	-	-	-	-	-	-
Rives	-	-	-	-	-	-	-	-
Rockford	-	-	-	-	-	-	-	-
Rockwood	29,003	-	-	-	12,104	22,961	34,413	46,885
Rocky Top	-	-	-	-	-	-	-	-
Rogersville	-	-	-	-	-	-	7,318	14,955
Rossville	-	-	-	-	-	-	-	-
Rutherford	-	-	-	-	-	-	-	-
Rutledge	-	-	-	-	-	-	-	-
Saltillo	-	-	-	-	-	-	-	-
Samburg	-	-	-	-	-	-	-	-
Sardis	-	-	-	-	-	-	-	-
Saulsbery	-	-	-	-	-	-	-	-
Savannah	-	-	-	-	-	-	-	-
Scotts Hill	-	-	-	-	-	-	-	-
Selmer	-	-	-	-	-	-	-	-
Sevierville	-	-	-	-	-	-	-	-
Sharon	-	-	-	-	-	-	-	-
Shelbyville	-	-	-	-	-	-	-	-
Signal Mountain	-	-	-	-	-	-	-	-
Silerton	-	-	-	-	-	-	-	-
Slayden	-	-	-	-	-	-	-	-
Smithville	-	-	-	-	-	-	-	-
Smyrna	-	-	-	-	-	-	-	-
Sneedville	-	-	-	-	-	-	-	-
Soddy Daisy	-	-	-	-	-	-	-	-
Somerville	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
South Carthage	-	-	-	-	-	-	-	-
South Fulton	-	-	-	-	-	-	-	-
South Pittsburg	-	-	-	-	-	-	-	-
Sparta	-	-	-	-	-	-	-	-
Spencer	-	-	-	-	-	-	-	-
Spring City	45,062	-	-	-	10,613	20,133	30,175	41,111
Spring Hill	-	-	-	-	-	-	-	-
Springfield	-	-	-	-	-	-	-	-
St. Joseph	-	-	-	-	-	-	-	-
Stanton	-	-	-	-	-	-	-	-
Stantonville	-	-	-	-	-	-	-	-
Sunbright	-	-	-	-	-	-	-	-
Surgoinsville	-	-	-	-	-	-	2,982	6,094
Sweetwater	21,081	-	-	-	3	1,129	4,512	18,443
Tazewell	-	-	-	-	-	-	-	-
Tellico Plains	2,545	-	-	-	0.44	165	661	2,700
Tennessee Ridge	-	-	-	-	-	-	-	-
Thompson's Station	-	-	-	-	-	-	-	-
Three Way	-	-	-	-	-	-	-	-
Tiptonville	-	-	-	-	-	-	-	-
Toone	-	-	-	-	-	-	-	-
Townsend	-	-	-	-	-	-	-	-
Tracy City	-	-	-	-	-	-	-	-
Trenton	-	-	-	-	-	-	-	-
Trezevant	-	-	-	-	-	-	-	-
Trimble	-	-	-	-	-	-	-	-
Troy	-	-	-	-	-	-	-	-
Tullahoma	-	-	-	-	-	-	-	-
Tusculum	-	-	-	-	-	-	-	-
Unicoi	-	-	-	-	-	-	-	-
Union City	-	-	-	-	-	-	-	-
Vanleer	-	-	-	-	-	-	-	-
Viola	-	-	-	-	-	-	-	-
Vonore	5,257	-	-	-	1	277	1,107	4,523
Walden	-	-	-	-	-	-	-	-
Wartburg	-	-	-	-	-	-	-	-
Wartrace	-	-	-	-	-	-	-	-
Watauga	-	-	399	430	418	396	396	-
Watertown	-	-	-	-	-	-	-	-
Waverly	-	-	-	-	-	-	-	-
Waynesboro	-	-	-	-	-	-	-	-
Westmoreland	-	1,727	3,466	5,611	7,258	6,884	6,891	6,887
White Bluff	-	-	-	-	-	-	-	-
White House	-	4,314	9,140	14,797	19,142	18,157	16,588	16,579
White Pine	-	-	-	-	-	-	-	-
Whiteville	-	-	-	-	-	-	-	-
Whitwell	-	-	-	-	-	-	-	-
Williston	-	-	-	-	-	-	-	-
Winchester	-	-	-	-	-	-	-	-

**Appendix F: Impact Payments Distributed to Cities in Areas Affected by TVA Construction
 by Tennessee Fiscal Year (continued)**

City	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Winfield	-	-	-	-	-	-	-	-
Woodbury	-	-	-	-	-	-	-	-
Woodland Mills	-	-	-	-	-	-	-	-
Yorkville	-	-	-	-	-	-	-	-
Total	\$ 1,288,198	\$ 790,411	\$ 979,554	\$ 1,266,098	\$ 1,625,188	\$ 1,731,456	\$ 2,053,041	\$ 1,480,559

Source: Tennessee Department of Revenue.

Note: For cities that cross multiple counties, individual amounts calculated under the state distribution formula for portion of city in each county have been combined by Commission staff and are reported in appendix as a single total.

Appendix G: TVA 2019 Integrated Resource Plan Recommendations by Resource Type

Coal: Continue with announced plans to retire Paradise in 2020 and Bull Run in 2023. Evaluate retirements of up to 2,200 MW of additional coal capacity if cost-effective.

Hydro: All portfolios reflect continued investment in the hydro fleet to maintain capacity. Consider additional hydro capacity where feasible.

Energy Efficiency: Achieve savings of up to 1,800 MW by 2028 and up to 2,200 MW by 2038. Work with our local power company partners to expand programs for low-income residents and refine program designs and delivery mechanisms with the goal of lowering total cost.

Demand Response: Add up to 500 MW of demand response by 2038 depending on availability and cost of the resource.

Nuclear: Pursue option for second license renewal of Browns Ferry for an additional 20 years. Continue to evaluate emerging nuclear technologies including Small Modular Reactors as part of technology innovation efforts.

Wind: Existing wind contracts expire in the early 2030s. Consider the addition of up to 1,800 MW of wind by 2028 and up to 4,200 MW by 2038 if cost effective.

Storage: Add up to 2,400 MW of storage by 2028 and up to 5,300 MW by 2038. Additions may be a combination of utility and distributed scale. The trajectory and timing of additions will be highly dependent on the evolution of storage technologies.

Gas Combustion Turbine: Evaluate retirements of up to 2,000 MW of existing combustion turbines if cost effective. Add up to 5,200 MW of combustion turbines by 2028 and up to 8,600 MW by 2038 if a high level of load growth materializes. Future CT needs are driven by demand for electricity, solar penetration, and evolution of other peaking technologies.

Gas Combined Cycle: Add between 800 and 5,700 MW of combined cycle by 2028 and up to 9,800 MW by 2038 if a high level of load growth materializes. Future CC needs are driven by demand for electricity and gas prices, as well as by solar penetration that tends to drive CT instead of CC additions.

Solar: Add between 1,500 and 8,000 MW of solar by 2028 and up to 14,000 MW by 2038. Additions may be a combination of utility and distributed scale. Future solar needs are driven by pricing, customer demand, and demand for electricity.

Source: Tennessee Valley Authority 2019c, sections 9-3 and 9-4.