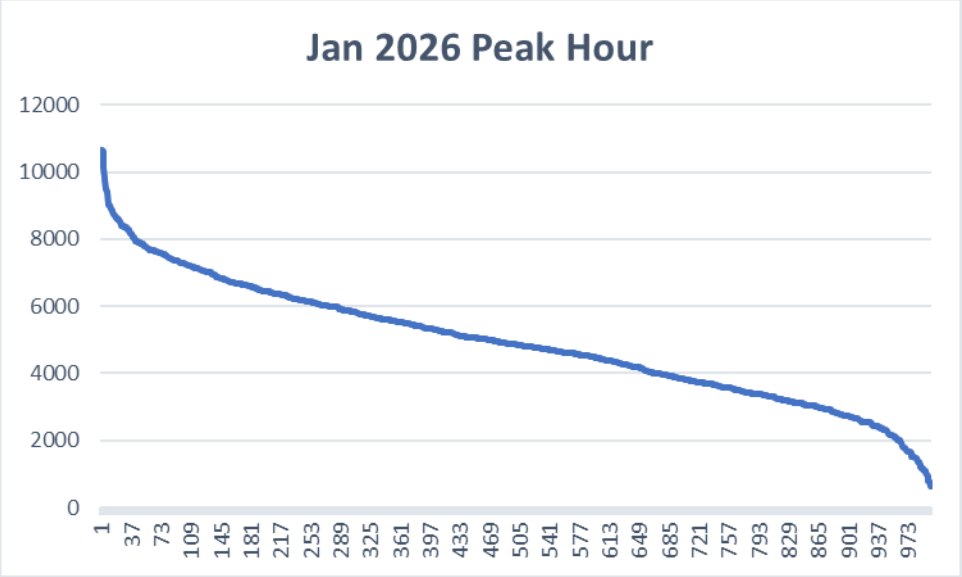
TVA 2026 Winter Outlook Study

August 2025 update

The chart below shows the amount of load on the peak day that can not be served by the TVA generation system over 1000 Monte Carlo draws. The unserved amounts will be covered by some combination of:

1. Purchased power
2. Industrial interruptible contracts
3. TVA in-house reductions
4. Consumer voluntary reductions
5. Rotating blackouts, if necessary

The above measures #1 through #4 can usually be counted on for at least 6000mw. There is about a 30% chance of a situation outside the 6000mw "comfort zone". In a widespread winter cold event, other utilities may have their own issues and the ability to purchase power may be limited. Not considered in the results below is the potential for limitations on the natural gas fuel supply during cold weather events.



The results of the August update indicate the need for import power in most months to avoid unserved energy. At first glance this seems to be an error, so we had a look back at the actual monthly peaks for the past twelve months as shown in the table below.

Month	Year	Peak	TVA Gen	Import
Aug	2024	30926	25214	5712
Sep	2024	27270	23336	3934
Oct	2024	23939	21732	2207
Nov	2024	23338	20788	2550
Dec	2024	29209	25793	3416
Jan	2025	35086	29173	5913
Feb	2025	32085	24131	7954
Mar	2025	24195	21892	2303
Apr	2025	24298	21015	3283
May	2025	24896	22407	2489
Jun	2025	31240	25509	5731
Jul	2025	31703	27608	4095

TVA generation came up short of peak load requirements in each of the past twelve months with import power from other utilities necessary to meet each monthly peak. The August update will show a continuation of this trend. There are some concerns regarding the need for imports to meet monthly peaks.

- Most other power systems also have natural gas plants at the margin during peak hours. These imports will be expensive, and it is possible that limitations on natural gas supply may limit these imports during winter months.
- Other power systems are also experiencing strong load growth and may be less able to support TVA peak loads in the next year.

The 2026 summer peak results are somewhat better than the winter peak results due to summer solar contribution. Summer shortages are less concerning than winter shortages because:

- Summer blackouts result is less damage to property and consumers than in winter.
- Natural gas fuel and support from imported power are more likely to be available in summer.

We will update these results with fresh data monthly as we approach the winter season.