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Date: Nov 5, 2014 3:21:20 PM
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Attached is a copy of the 2001 report you requested.

Sincerely,

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Office of the Inspector General

Congressional Advisory Report

To The Honorable Zach Wamp
U.S. House of Representatives

UPDATE ON SELECTED MANAGEMENT PRACTICES

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Congressional Advisory Report 2001-914C
April 2, 2001

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Office of the Inspector General

Congressional Advisory Report

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Project 2001-914C

SENSITIVE INFORMATION

EXECUTIVE SUMMARY

At the request of Congressman Zach Wamp, we issued a series of reports in December 1997 addressing management practices in seven areas. On November 3, 2000, Congressman Wamp requested an update on these issues (see Appendix A). This report provides an update on five of these areas—consulting contracts, advertising, special events (including barge events), executive air transportation, and the relocation of personnel and programs to Nashville, Tennessee. Our updates on the other two areas—compensation for TVA's higher paid employees and property leases and purchases—are addressed in separate reports (Congressional Advisory Reports 2001-011P and 2000-917P, respectively).

Consulting Contracts

Since our last review TVA has (1) competed or eliminated several long-term consulting contracts, (2) implemented enhanced contracting procedures, and (3) developed and implemented a training program to improve contractor oversight. Annual expenditures for active consulting and training contracts of \$100,000 or more have decreased by 45 percent. In addition, we estimated TVA has reduced the percentage of these contracts awarded without competition from about 80 percent as noted in our 1997 review to about 45 percent during fiscal year (FY) 2000. We issued a draft audit report regarding our review of consulting contracts to TVA management on February 23, 2001 (Audit 2001-014C). (See page 2.)

TVA Advertising

Since our last report, TVA (1) increased its advertising expenditures every year through FY 2000 but decided to reduce advertising expenditures for FY 2001 by about 70 percent, (2) put its public awareness campaign on hold, (3) continued to promote its *energy right*® program, and (4) began a new advertising campaign entitled "Green Power Switch" wherein TVA promotes the use of electricity produced from wind, solar power, and landfill gas. (See page 5.)

Special Events (Including the TVA Barges)

TVA continues to sponsor special events intended to enhance communications with customers, stakeholders, economic

development partners, and other groups. (See page 7.) Since our last report, TVA has:

- Increased the number of special events, excluding barge events, from 18 in 1995 to 33 events in 2000 and increased total special event expenditures from \$848,077 in 1995 to about \$2.0 million in 1999 and \$1.8 million in 2000.¹
- Reduced the number of barge events from a high of 19 in 1996 to only one event in 2000 and reduced annual barge event expenditures from a high of \$178,868 in 1997 to just \$28,036 in 2000.

Executive Air Transportation

TVA continues to provide executive fixed-wing air travel by three options: (1) TVA's leased 1992 Beech King Air 350, (2) chartered aircraft from various charter companies, and (3) commercial air transportation. While usage has not increased significantly, total annual costs for charter and King Air flights have risen. TVA continues to consider options for providing air transportation. (See page 11.)

Relocation of Personnel and Programs to Nashville

Since our last report, TVA transferred 28 employees to Nashville, Tennessee, and filled 119 vacant Nashville positions via internal employee selections and new hires from outside TVA. TVA incurred about \$3.4 million in transfer benefit costs and about \$258,000 in relocation incentive bonuses related to the Nashville selections. Our separate report on property leases and purchases included information on the Nashville lease costs for office space. In addition, we are conducting a review of the justification for the costs associated with Highland Ridge Tower in Nashville (Audit 2001-037P). (See page 15.)

TVA management provided comments on a draft of this report to clarify and enhance the report (see Appendices G, H, and I). We revised the draft report, where appropriate, to reflect management's comments.

¹ According to TVA management, TVA discontinued one of the most costly events, the annual @ Awards Celebration, after calendar year 2000.

BACKGROUND

On August 12, 1997, Congressman Zach Wamp requested TVA's Inspector General to perform "a top-to-bottom review of the agency's management practices." On December 31, 1997, the Inspector General issued a series of reports to the Congressman addressing:

- Compensation and other benefits paid to TVA's higher paid employees;
- Consulting contracts;
- TVA advertising;
- Special events, including entertainment on TVA's barges;
- Air transportation, including a proposed lease of a corporate jet;
- Property leases and purchases; and
- Relocation of personnel and programs to Nashville, Tennessee.

On November 3, 2000, Congressman Wamp requested an update on these issues (see Appendix A). Congressman Wamp originally requested a report on these areas be provided to him prior to disclosing the report to anyone outside the Office of the Inspector General. During subsequent discussions, the Congressman agreed that TVA management comments would be solicited on a draft of the report. This report provides an update on consulting contracts, advertising, special events (including barge events), executive air transportation, and the relocation of personnel and programs to Nashville, Tennessee.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to provide an update on the selected business practices that were previously reported to Congressman Wamp. We conducted the following work in response to Congressman Wamp's request:

- Requested representatives from each major TVA organization to provide updated information related to each of the selected TVA business practices;
- Conducted interviews and reviewed documentation as appropriate to validate the information provided by TVA representatives to the extent possible; and,
- Relied on previous audit work conducted in the areas of consulting and training contracts and reviews of TVA office space.

We did not attempt to assess the value provided by any of these activities to TVA or its customers.

FINDINGS

Our findings on consulting contracts; TVA advertising; spending on special events, including barge events; executive air transportation; and relocation of personnel and programs to Nashville, Tennessee, are discussed below.

CONSULTING CONTRACTS

We previously reviewed TVA's consulting and training contract usage during the period October 1, 1992, through September 30, 1997, and identified about 631 active consulting and training contracts of \$100,000 or more. Average annual total payments for these contracts during that period was about \$29 million with about 80 percent having been awarded without competition.

Since our previous report, TVA has (1) competed or eliminated several long-term consulting contracts, (2) implemented enhanced contracting procedures, and (3) developed and

implemented a training program for Procurement officials as discussed below. We believe the steps TVA has taken in this area are significant improvements.

Competition or Elimination of Consulting Contracts

TVA has competed or eliminated several long-term consulting contracts resulting in a reduction in the number and amount of payments for these contracts. During FY 2000, TVA had about 120 active consulting and training contracts of \$100,000 or more. TVA paid a total of \$16.1 million on these consulting and training contracts during FY 2000, a decrease of 45 percent from the \$29 million annual average we reported previously. In addition, we estimate TVA awarded about 45 percent of these contracts without competition in comparison to about 80 percent that TVA awarded without competition as noted in our 1997 report.

Figure 1 below summarizes the number of contracts and expenditures by type for consulting contracts of \$100,000 or more during FY 2000.

ACTIVE CONSULTING AND TRAINING CONTRACTS OF \$100,000 OR MORE—FY 2000		
Type of Consulting Contract	Number of Contracts	Expenditures
Corporate	24	\$ 5,007,104
Technical	36	3,710,247
Employee-Related	18	2,637,448
Legal	11	1,902,955
Financial	6	1,169,431
Communications/Public Relations	7	725,289
Customer Service and Marketing	12	408,837
Information Technology	6	530,304
Totals	120	\$16,091,615

Figure 1

Enhanced Contracting Procedures

TVA has implemented enhanced contracting procedures. Among other things, these procedures restate TVA's policy to obtain competition. The procedures also require noncompetitive contracts of \$25,000 or more to meet certain justification criteria and receive required approvals, both of which must be documented. These procedures further require TVA

management to provide the Board five days advance notice before awarding consulting contracts of \$25,000 or more.

We judgmentally selected and reviewed 86 of 167 consulting contracts of \$25,000 or more that were active during FY 2000. While 48 of the 86 sampled contracts were not competed, the majority (about two-thirds) of the contract dollars were competed. Thirteen of the 48 sole-sourced contracts did not comply with the specific requirements outlined in TVA's Procurement policies. We issued a draft audit report regarding our review of consulting contracts to TVA management on February 23, 2001 (Audit 2001-014C).

We have included as Appendix B a complete listing of consulting and training contracts active during FY 2000 of \$25,000 or more.

Procurement Training Program

TVA has developed and implemented a training program for Procurement officials to achieve consistent control and oversight of TVA contracts through better contract management. The training curriculum was specifically designed for Contract Managers/Contract Agents and included topics such as sourcing decisions, proposal evaluation, contract planning and development, and contract administration.

Management's Comments

Management requested the first paragraph on page four be modified to read as follows: "We judgmentally selected and reviewed 86 of 167 consulting contracts of \$25,000 or more that were active during FY 2000. The majority of these contracts were competed. Our review identified only 14 contracts that did not comply with the specific documentation requirements outlined in TVA's Procurement policies. Although competition was addressed and documented by TVA management on most of these contracts, the specific procedures and approvals were not accurately documented in each case."

Our Evaluation of Management's Comments

Our review determined that about two-thirds of the contract dollars were competed. However, we found 48 of the

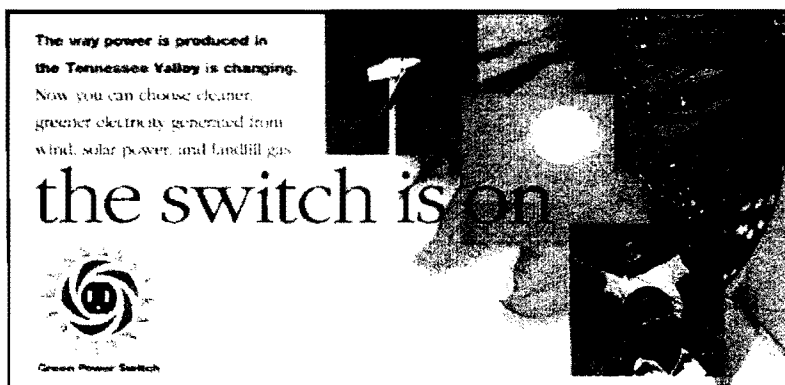
86 individual contract awards were not competed. Additionally, our review identified 13 contracts that did not comply with the specific requirements outlined in TVA's Procurement policies. We changed the wording in the report to address this issue more specifically.

TVA ADVERTISING

We previously reported TVA used advertising primarily to increase public awareness of and preference for TVA in preparation for competition which is expected under electric utility deregulation. TVA also used advertising to provide information on specific issues affecting TVA and to promote its *energy right@* program.

Since our last report, TVA:

- Increased its advertising expenditures each year through FY 2000. However, TVA has reduced its advertising budget for FY 2001 to \$2.5 million compared to actual expenditures of almost \$8.4 million in FY 2000.
- Put its public awareness campaign on hold while it reevaluated its strategy for positioning itself in a restructured marketplace. TVA management indicated they currently have no plans to resume the public awareness campaign.
- Has not used advertising to provide information to the public on specific issues and no longer has a specific budget for this type of advertising.
- Continued to promote its *energy right@* program wherein TVA and its distributors work together in a cooperative effort to provide incentives to build homes with energy saving features.
- Began a new advertising campaign entitled "Green Power Switch" wherein TVA promotes the use of electricity produced from wind, solar power, and landfill gas. An illustration of one advertisement is shown below.



TVA's advertising expenditures from FY 1994 through FY 2000 and budgeted expenditures for FY 2001 are illustrated in Figure 2 below.

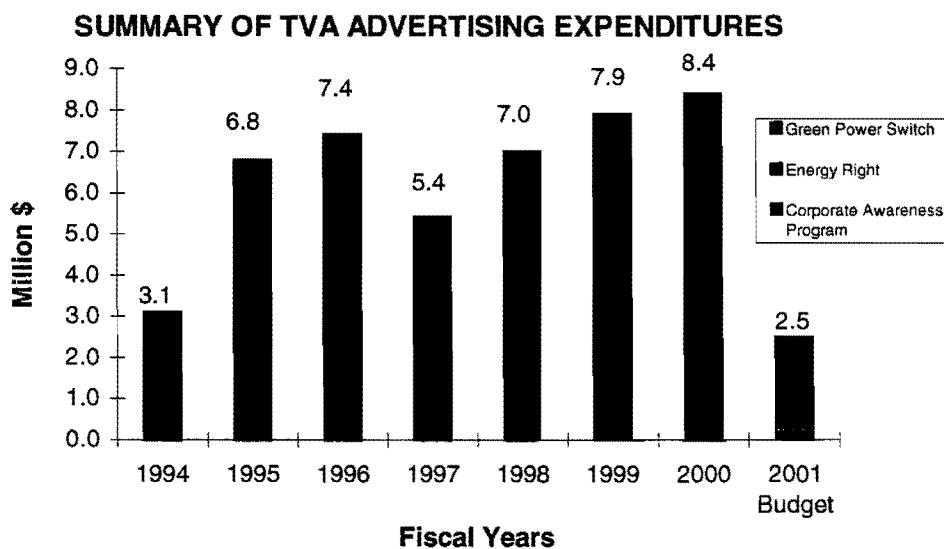


Figure 2

As noted in our 1997 report, TVA contracted with the advertising agency Fitzgerald & Company (Fitzgerald) of Atlanta, Georgia, in March 1994 as the sole company charged with the preparation and placement of advertising on projects assigned by TVA. In 1999, TVA recompeted the advertising contract, inviting 22 advertising agencies to submit a summary of their capabilities and qualifications. TVA subsequently selected five companies for further consideration and ultimately chose and awarded Fitzgerald a new contract effective October 1, 1999. This

contract will expire on October 31, 2001, and has the option to further extend until September 30, 2003.

Management's Comments

Management requested the last sentence of this section be changed to read: "TVA subsequently selected five companies for further consideration and ultimately chose and awarded Fitzgerald a new contract effective October 1, 1999. This contract will expire on October 31, 2001, and has the option to further extend until September 30, 2003."

Management also recommended a clarification regarding the *energy right@* program.

Our Evaluation of Management's Comments

We concurred with management's comments and have incorporated the requested information in this report.

SPENDING ON SPECIAL EVENTS (INCLUDING THE TVA BARGES)

TVA uses special events intended to enhance communications with customers, stakeholders, economic development partners, and other special interest groups. We obtained information from TVA on special events including (1) all events that cost TVA at least \$10,000 per event and included non-TVA attendees, and (2) all barge events. We relied on the information TVA management provided and have not independently verified the costs associated with each event.

Special events

TVA classified special events in seven categories: (1) customer appreciation, (2) conferences and workshops, (3) employee recognition, (4) community events, (5) receptions, (6) special groups, and (7) facility dedications. Since our last report, TVA has held 97 special events costing \$10,000 or more. As shown in Figures 3 and 4, the number of special events has increased from 18 in 1995 to 33 events in 2000 and total special event expenditures have increased from \$848,077 in 1995 to a high of \$2,029,466 in 1999 and slightly less than \$2 million in 2000. We

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have included a detailed listing of special events and costs as Appendix C.

NUMBER OF SPECIAL EVENTS—BY FISCAL YEAR							
Category	1995	1996	1997	1998	1999	2000	FY 2001 (as of 12/31/00)
Conferences and Workshops	4	11	7	11	12	11	2
Customer Appreciation	4	5	10	6	5	9	3
Receptions		2	4	9	10	6	
Special Groups				1	2	4	
Community Support	3	3	3	1	1	1	
Facility Dedication	5	3				2	1
Employee Recognition	2	2	2				
Total	18	26	26	28	30	33	6

Figure 3

SPECIAL EVENT EXPENDITURES (in thousands) BY FISCAL YEAR							
Category	1995	1996	1997	1998	1999	2000	FY 2001 (as of 12/31/00)
Conferences and Workshops	\$82.5	\$443.6	\$411.4	\$474.8	\$908.0	\$875.5	\$265.8
Customer Appreciation	359.9	170.0	859.1 ²	271.0	476.0	621.5	473.0
Receptions	0.0	41.4	59.8	124.0	326.3	114.9	0.0
Special Groups	0.0	0.0	0.0	17.5	294.1	128.1	0.0
Community Support	53.4	114.6	45.3	38.0	25.0	36.0	0.0
Facility Dedication	134.4	35.8	0.0	0.0	0.0	31.1	10.0
Employee Recognition	217.8	237.8	217.5	0.0	0.0	0.0	0.0
Total	\$848.0	\$1,043.2	\$1,593.1	\$925.3	\$2,029.4	\$1,807.1	\$748.8

Figure 4

The 18 events during 1998 through 2000 that cost \$100,000 or more are listed in Figure 5 below. These 18 events make up \$3.65 million (66 percent) of the \$5.51 million spent on special events since our last report.

² Includes three events that occurred during October 1997 (fiscal year 1998 cost \$337,037).

SPECIAL EVENTS WHICH COST OVER \$100,000 FY 1998 THROUGH DECEMBER 31, 2000			
Event Date	Event Name	Event Location	TVA Cost
June 1998	APPA Conference - TVA Reception	San Antonio, TX	\$135,000
June 1999	APPA Conference - TVA Reception	Salt Lake City, UT	106,000
July 1999	Canadian Trade Mission Reception and 4 th of July Celebration	Ottawa, Canada	170,000
April 1999	Diversity Conference	Nashville, TN	166,969
Oct/Nov 1998	<i>energy right</i> [®] Awards Celebration	Nashville, TN	196,000
Oct/Nov 1999	<i>energy right</i> [®] Awards Celebration	Nashville, TN	346,000
Oct/Nov 2000	<i>energy right</i> [®] Awards Celebration ³	Nashville, TN	452,000
October 1999	Fall Industrial Conference	Nashville, TN	108,300
March 1998	Financial Analyst Conference	New York, NY	225,000
March 1999	Financial Analyst Conference	New York, NY	225,000
March 2000	Financial Analyst Conference	New York, NY	255,000
April 1999	Investment Challenge - Conference and Awards Ceremony	Nashville, TN	126,924
April 2000	Investment Challenge - Conference and Awards Ceremony	Nashville, TN	161,413
October 1998	Investment Challenge - Conference and Job Fair	Nashville, TN	168,728
November 1999	Investment Challenge - Conference and Job Fair	Nashville, TN	190,385
November 2000	Investment Challenge - Conference and Job Fair	Nashville, TN	207,590
March 1999	NRECA Conference - TVA Reception	Anaheim, CA	141,000
June 1999	US Women's Open - Reception and Event Sponsorship	West Point, MS	276,600
Total			\$3,657,909

Figure 5

TVA management believes special events are an effective means for enhancing communications with customers and economic development partners.

Barge events

Since our previous report, TVA has essentially eliminated barge events except for the annual Riverbend event held in Chattanooga. As shown in Figures 6 and 7 below, TVA has reduced the number of barge events from a high of 19 in 1996 to only one event in 2000 and reduced barge event expenditures from a high of \$178,868 in 1997 to just \$28,036 in 2000.

³ According to TVA management, TVA discontinued the *energy right*[®] Awards Celebration after calendar year 2000.

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NUMBER OF BARGE EVENTS—BY FISCAL YEAR							
Category	1995	1996	1997	1998	1999	2000	FY 2001 (as of 12/31/00)
Customer Appreciation	13	12	14	10	2		
Community Support	1	1	1	1	1	1	
Employee Recognition	2	2					
Special Groups	1	4	3				
Total	17	19	18	11	3	1	0

Figure 6

BARGE EVENT EXPENDITURES (in thousands) BY FISCAL YEAR							
Category	1995	1996	1997	1998	1999	2000	FY 2001 (as of 12/31/00)
Customer Appreciation	\$119.9	\$121.0	\$153.0	\$115.1	\$29.1	\$0.0	\$0.0
Community Support	23.7	23.6	23.6	21.0	22.7	28.0	0.0
Employee Recognition	9.4	6.7	0.0	0.0	0.0	0.0	0.0
Special Groups	0.4	7.4	2.3	0.0	0.0	0.0	0.0
Total	\$153.5	\$158.7	\$178.9	\$136.1	\$51.7	\$28.0	\$0.0

Figure 7

We have included a detailed listing of barge events and costs as Appendix D.

Management's Comments

TVA management did not believe the two major finance functions, the Financial Analysts Conference and the Investment Challenge Program should be classified as special events as defined by the report. Management suggested we delete the events from the report or revise the report language to reflect the true nature of these programs.

Management also suggested we (1) add a footnote to Figure 5 indicating TVA has discontinued the *energy right*® Awards Celebration, and (2) revise the "Riverfest" event to "Riverbend."

Our Evaluation of Management's Comments

The two finance events mentioned by management were included in our 1997 report and we believe these events are

adequately classified as "conference and workshops." We did revise the first sentence in this section to include a broader description of special event usage. We concurred with management's other suggestions and incorporated them as appropriate.

EXECUTIVE AIR TRANSPORTATION

TVA continues to provide executive fixed-wing air travel by three options: (1) TVA's leased 1992 Beech King Air 350, (2) chartered aircraft from various charter companies, and (3) commercial air transportation. TVA also owns several helicopters, but they are used predominantly for transmission system support.

According to TVA management, executive travel volume increased in FY 2000. TVA attributed the increased volume to deregulation activities, dispersed TVA Board members and Board meetings, increased interaction with customers, Environmental Protection Agency negotiations, and activities related to power transmission system regulation. Due to the increased travel volume and the developing need for an engine overhaul for the King Air 350, management is evaluating various alternatives for air transportation including: (1) reducing travel frequency, (2) using more commercial or chartered aircraft, and/or (3) adding to or upgrading TVA-controlled aircraft. TVA's analyses include consideration of obtaining a Cessna Citation Ultra jet and, most recently, obtaining a newer Beech King Air 350.

During this review period, TVA used the King Air an average of 10.3 trips per month, which was comparable to the 11 trips per month we reported in our previous review. Similarly, TVA used a chartered aircraft about 4.5 trips per month during the period, also comparable to the 4 trips per month reported in our previous review. However, in FY 2000 charter flights increased to about 5.2 trips per month. At least one TVA Board member was on board for about 62 percent of the King Air and 37 percent of the chartered trips. Many of the remaining King Air and chartered flights included TVA's Chief Operating Officer or a Vice President on board. On occasion, members of Congress were on board the King Air or chartered flights.

SENSITIVE INFORMATION

While usage has not increased significantly, total annual costs for charter and King Air flights have risen. Figure 8 below compares costs for the three fixed-wing options during (1) the review period of October 1, 1997, through December 31, 2000, and (2) FY 2000.

	Aircraft Type		
	TVA King Air ¹	Charter	Commercial
Average Number of Passengers per Flight during review period ²	3.5	3.9	1
Average Number of Passengers per Flight in FY 2000	3.5	4.4	1
Average Cost per Flight during review period	\$7,502	\$4,746	\$394 [#]
Average Cost per Flight in FY 2000	\$8,020	\$5,190	\$407 [#]
Average Cost per Passenger during review period	\$2,156	\$1,231	\$394 [#]
Average Cost per Passenger in FY 2000	\$2,276	\$1,183	\$407 [#]
Average Number of Flights per Month during review period	10.3	4.5	NA
Average Number of Flights per Month in FY 2000	10.3	5.2	NA
Average Cost per Month during review period	\$77,323	\$21,174	NA
Average Cost per Month in FY 2000	\$82,878	\$26,815	NA

¹ Average costs per flight were derived from total costs (including fixed and variable cost components) allocated to all flights during the period. The costs in this table do not reflect any specific flights. Costs in this report include lease costs for the King Air. Costs included in our 1997 review did not include lease costs and, therefore, are not comparable to costs in this report.

² Review period was from October 1, 1997 through December 31, 2000.

[#] Cost is for all TVA passengers.

NA = Not applicable—this information is no longer meaningful because TVA has expanded its definition for "executive travel."

Figure 8

Management noted costs have risen for the following reasons: (1) separation of fixed-wing management from rotary-wing management caused overhead costs to be spread over a smaller base, (2) TVA's travel volume has increased causing the hiring of a fourth fixed-wing pilot, and (3) aircraft fuel costs have increased. While the average number of flights per month has remained relatively constant during the review period, the King

SENSITIVE INFORMATION

Air logged about 10 percent more air time per flight during FY 2000 than in the previous two years.

Figure 9 below presents the annual costs for the King Air and chartered flights since FY 1997.

ANNUAL COSTS FOR THE TVA-LEASED KING AIR AND CHARTERED FLIGHTS			
TVA King Air 350	Cost (\$000s)	Flight Hours	Cost per Flight Hour
FY 1997	\$666	470.7	\$1,415
FY 1998	\$955	408.5	\$2,338
⁴ FY 1999	\$818	368.8	\$2,218
FY 2000	\$995	431.2	\$2,306
First Qtr, FY 2001	\$248	122.5	\$2,025
TVA Charter Flights			
FY 1997	\$159	N/A	N/A
FY 1998	\$275	211.8	\$1,298
⁴ FY 1999	\$142	100.8	\$1,409
FY 2000	\$322	179.6	\$1,792
First Qtr, FY 2001	\$87	46.8	\$1,858

Figure 9

We have included a detailed listing of flight information for the period October 1, 1999, through December 31, 2000, for (1) the King Air as Appendix E, and (2) charter flights as Appendix F.

Management's Comments

Management indicated the statement "While usage has not increased significantly, total annual costs for charter and King Air flights has [*sic*] risen by 61 percent" was misleading. Management provided additional analysis as follows:

- A correction of reported fiscal year 1998 cost for the King Air.

⁴ Management attributed the reduction in FY 1999 executive air travel to the fact that TVA had only one director in place for over half of FY 1999.

- Explanations regarding the increase in restated FY 1998 King Air expense from the FY 1997 costs. TVA attributed the 43 percent increase to a breakout and transfer of rotary-wing operations from executive travel, a re-allocation of fixed costs, and the hiring of an additional pilot. After adjusting for the revised FY 1998 costs, the increase for the King Air was about 4 percent for the period of FY 1998 through FY 2000.
- Management noted the number of charter flight hours has not increased, and the number of flights was approximately the same for FY 1997⁵ and FY 2000. The re-computed per flight cost based on number of trips increased 14 percent which is a reasonable amount considering inflation for three years and the increase in fuel prices.
- Management requested a footnote regarding the reduction in FY 1999 air travel. Management attributed this reduction due to the fact that only one director was in place for over half of FY 1999, significantly reducing the level of executive travel during this period.

Additionally, management indicated that TVA is no longer including consideration of a Cessna Citation Ultra jet in the analyses of alternatives. TVA indicated they are still considering replacement of the current King Air with a newer one due to the need to perform an engine overhaul. TVA desires to make this replacement without a material increase in TVA's lease payments.

Lastly, TVA management informally provided some revised data for the King Air and charter flights.

Our Evaluation of Management's Comments

We revised the report to delete the reference to the 61 percent increase in charter and King Air costs. While we agree with management that the primary cost increase was from FY 1997 to FY 1998, the total cost for King Air and chartered flights was about 61 percent higher in FY 2000 than in FY 1997. We also added a footnote regarding the reduction in executive travel for FY 1999 being attributed to the fact that only one Board member was in place. Additionally, we revised the FY 1998 King Air costs to reflect revised data provided by management.

⁵ Management subsequently informed us their analysis was for FY 1998, not FY 1997.

RELOCATION OF PERSONNEL AND PROGRAMS TO NASHVILLE

In September 1996, TVA announced that certain positions within TVA's newly created Customer Service and Marketing (CS&M) organization, including CS&M's Executive Vice President, were being relocated to Nashville. According to TVA management, TVA's Board of Directors made the relocation decision as an integral part of TVA's overall competitive strategy. TVA management believed the relocation would (1) improve the effectiveness of TVA's customer service, marketing, and economic development activities, and (2) raise TVA's profile in an important market.

We previously reported to Congressman Wamp that as of November 25, 1997, TVA had relocated 104 CS&M and six Chief Administrative Officer⁶ (CAO) employees to Nashville. TVA filled the CS&M positions via 57 direct employee transfers, 44 internal employee selections, and three new hires from outside TVA. The six CAO positions were filled via two direct transfers and four internal employee selections. Transfer benefit costs and relocation incentive bonuses associated with the move totaled \$1,080,946 and \$227,500, respectively.

For the period November 26, 1997, through December 31, 2000, CS&M transferred 27 employees to Nashville and filled 114 vacant Nashville positions via internal employee selections and new hires from outside TVA. During the same period, TVA also filled a total of six open Nashville positions in the Chief Financial Officer (CFO), Communications and Government Relations, and Administration organizations. The positions were filled via one direct transfer, three internal employee selections, and two new hires.

TVA incurred \$3,377,223 in transfer benefit costs and \$258,445 in relocation incentive bonuses related to the Nashville selections since our previous report. The CS&M transfer benefit costs totaled \$3,354,170; whereas, the transfer benefit costs for CFO, Communications and Government Relations, and Administration employees totaled \$23,053. Relocation incentive bonuses totaling \$258,445 were paid to 59 CS&M employees.

⁶ TVA has reorganized and replaced the CAO position with an Executive Vice President, Administration.

SENSITIVE INFORMATION

None of the CFO, Communications and Government Relations, or Administration selections received relocation incentive bonuses.

We reported the Nashville lease costs for office space in our report on property leases and purchases (Congressional Advisory Report 2000-917P). In addition, we are conducting a review of the justification for the costs associated with Highland Ridge Tower in Nashville (Congressional Advisory Report 2001-037P).

Management's Comments

TVA management provided editorial comments regarding some of the reported personnel relocation numbers.

Our Evaluation of Management's Comments

We discussed TVA management's comments regarding the reported personnel relocation numbers with TVA management and determined no revision was necessary.

APPROPRIATIONS COMMITTEE

SUBCOMMITTEES:

INTERIOR

COMMERCE, JUSTICE,
STATE, AND JUDICIARYLEGISLATIVE
VICE-CHAIRMAN

BUDGET COMMITTEE



ZACH WAMP
CONGRESS OF THE UNITED STATES
THIRD DISTRICT, TENNESSEE

November 3, 2000

WASHINGTON OFFICE:
423 CANNON BUILDING
WASHINGTON, D.C. 20515
(202) 225-3271 - (202) 225-3494 Fax

DISTRICT OFFICES:
FEDERAL BUILDING, SUITE 100
200 ADMINISTRATION ROAD
OAK RIDGE, TN 37830
(423) 483-3366 - (423) 576-3221 Fax
FEDERAL BUILDING, SUITE 126
500 GEORGIA AVENUE
CHATTANOOGA, TN 37402
(423) 756-2342 - (423) 756-6613 Fax

Mr. Richard F. Chambers
Inspector General
Tennessee Valley Authority
400 West Summit Hill Dr
Knoxville, TN 37902-1401

Dear Richard:

In 1997, I asked then TVA Inspector General George Prosser to conduct a top-to-bottom review of TVA management practices. I was convinced then, as I am today, that close scrutiny of TVA is necessary if we are to provide a strong agency to face the future. That is why I am writing to ask for an update on these issues that were reviewed in 1997.

I am still concerned about the issue of executive compensation. Recent news stories indicate that at least one of TVA's top officials will retire soon with compensation packages that exceed his salary, with several others likely to receive benefits far in excess of what is reasonable. I would also like a report on any of the other issues that were reviewed in 1997 that need to be updated, including: bonuses and benefits for top level management; the relocation of personnel and programs to Nashville; spending on special events, including the TVA barges; air transportation; TVA advertisements; consulting contracts; property leases and purchases.

Any finding of waste, fraud and abuse uncovered during the review should be included in your report. I request that you deliver a written report on all of the areas directly to me by February 1, 2001, before disclosing it to anyone outside the Office of the Inspector General. Finally, I would like a report on any of these areas that have been investigated by the IG since the initial 1997 report.

Thank you for your help in this matter. Congressional oversight of the Tennessee Valley Authority is a serious responsibility.

Warmest regards,


Zach Wamp
Member of Congress

Thank you Sir!

ACTIVE CONTRACTS OF \$25,000 OR MORE--FY2000

Contract Number	Vendor	Authorized Date	Expiration Date	Authorized Amount	Amount Paid as of 11/03/2000	Paid In FY 2000	Description
00BGJ-260862-00	A. DANIEL GORSKI CONSULTING, INC.	06/13/2000	10/01/2000	25,000.00	4,271.71	4,271.71	LEGAL SERVICES
99PPW-251566-00	AEROCHEM ASSOCIATES	06/23/1999	09/30/2000	25,000.00	16,614.61	13,568.64	TOXIC RELEASE INVENTORY
97PPW-214757-00	ALCALDE & FAY, LTD	07/29/1997	12/31/1999	250,000.00	222,848.66	30,082.54	STUDY - GLOBAL CLIMATE
98BGJ-241699-00	ALLEN & GLEDHILL	11/13/1998	09/30/2000	80,000.00	6,646.72	963.97	LEGAL SERVICES
98BGJ-241700-00	ALLEN & OVERY THREE EXCHANGE SQUARE	10/28/1998	09/30/2001	75,000.00	23,291.11	4,619.23	LEGAL SERVICES
TV-91584V-00	ANDREW KALOTAY ASSOCIATES INC	05/26/1993	06/30/2004	646,000.00	408,978.04	52,000.00	FINANCIAL SERVICES
99PPW-219821-01	APPLIED DECISION ANALYSIS INCORPORATED	05/20/1999	09/30/2000	147,600.00	52,981.74	8,379.32	NAAQS PROBLEM FRAMING
00PE4-260004-01	ARCHITECTURAL ENERGY CORPORATION	01/28/2000	05/31/2000	28,740.00	28,740.00	28,740.00	DETAILED ENERGY STUDY
97PPW-215140-00	ARNOLD & PORTER	08/19/1997	09/30/2000	1,025,000.00	799,084.91	154,048.97	DEV ACTION PLAN RE ELEC INDSTY
99PPW-250113-00	ASSOCIATED TRAINING CORPORATION	05/14/1999	12/31/2000	140,000.00	127,952.30	3,458.19	SAFETY AUDIT FOR TPS
99BQP-252419-00	ASSOCIATION OF TENNESSEE VALLEY GOVERNMENT (ATVG)	05/19/1999	05/16/2000	53,000.00	43,854.67	41,827.08	CONSULTATION
99RE6-247793-00	BENTLEY, ADAMS, HARGETT, RILEY & COMPANY, INC.	02/16/1999	01/31/2002	200,000.00	32,952.87	64.78	SALES SUPPORT
97NNX-216924-00	BLISS ENERGY CONSULTANTS INC	10/08/1997	09/30/2000	92,799.00	62,814.00	15,941.00	SUPPORT-CONDEN. POLISHER RESIN
98BG9-239127-00	BOOZ-ALLEN & HAMILTON INC	08/31/1998	12/31/1999	420,390.60	403,928.27	33,204.55	ASSESSMENT OF Y2K PROGRAM
99PPW-237899-01	BRISSENDEN, MCFARLAND, FUCELLA, & REYNOLDS, INC.	11/06/1998	09/30/2001	500,000.00	0.00	0.00	EXECUTIVE SEARCH FIRM
99BGJ-249042-00	BRUCKHAUS WESTRICK STEGEMAN	03/25/1999	06/01/2000	40,000.00	13,590.71	13,590.71	LEGAL SERVICES
99PYN-247278-00	CCI	01/08/1999	02/08/2000	25,000.00	25,000.00	12,500.00	ENGINEERING STUDY
TV-94364V-01	CHARLES E. HESTER	10/06/1997	09/30/2001	640,000.00	129,859.50	30,121.50	DEVELOP TEST PRACTICES
99PPW-241016-00	CHARLES ROSE CONSULTANTS	11/13/1998	09/30/2001	50,000.00	25,795.19	16,416.93	ASSESS COAL QUALITY CONTROL
TV-96012V-00	CHRISTINE OLSENIUS	02/21/1996	12/31/2000	442,750.00	436,531.74	112,767.31	CWI WATERSHED PLANNING
98BGJ-237445-00	CLAUDE C CROSS	08/10/1998	04/30/2001	600,000.00	483,565.84	204,289.78	CONSULTING
99PPW-246604-00	CLYDE J STANSBERRY JR	01/13/1999	09/30/2000	320,000.00	138,021.59	60,149.95	SUPPORT TPS OPERATION PLANNING
TV-94243V-00	COMMON GROUND ADVENTURES INC	05/11/1995	09/30/2001	289,035.00	238,014.00	2,588.08	CONSULTANT SERVICES
TV-95439V-00	COMPENDIUM CORPORATION	10/25/1995	09/30/2002	1,295,000.00	719,608.38	148,376.05	350 DEGREE RESEARCH & ANALYSIS
98PPW-230991-01	CONSOLIDATED TECHNOLOGIES INC	06/02/1998	05/31/2001	100,000.00	27,224.35	27,224.35	ENVIRONMENTAL CONSULTING SVS
00RE5-258245-00	CREIGHTON & CREIGHTON, INC.	11/09/1999	09/30/2001	100,000.00	73,211.57	70,991.57	REG RES STEWARDSHIP COUNCIL
99N5F-253281-00	CSI TECHNOLOGIES, INC.	07/28/1999	10/29/1999	79,900.00	79,900.00	79,900.00	FLOW-ACCELRA TD CORR CONSULTING
99BKX-250555-00	DRAKE BEAM MORIN INC	04/05/1999	03/01/2001	80,000.00	10,000.00	0.00	OUTPLACEMENT SERVICES
99PPW-254413-00	DTE TRANSPORTATION SERVICES INCORPORATED	07/19/1999	01/31/2001	30,000.00	13,549.63	5,890.33	CONSULTING SERVICES
00NNQ-258309-00	DUKE ENGINEERING & SVS INC	06/07/2000	04/30/2000	48,000.00	15,000.00	15,000.00	VARIOUS PROJECTS
TV-86462V-00	E LYNN STACEY STACEY & ASSOCIATES	06/19/1992	09/30/2001	101,599.96	54,760.75	3,731.85	BUSINESS INCUBATOR SERVICES
99PPW-256145-00	EARTH SATELLITE CORP(EARTHSAT)	11/05/1999	02/28/2001	275,000.00	124,000.00	124,000.00	REVIEW & ANALYZE WEATHER/LOAD
TV-96893V-00	ELECTRIC POWER RESEARCH INSTITUTE, INC	09/10/1996	03/01/2000	200,000.00	180,192.00	30,192.00	CONSULTANT-CUSTOMER PRODUCTS
99PDW-239604-00	ELECTRIC POWER RESEARCH INSTITUTE, INC	03/15/1999	03/04/2002	250,000.00	109,571.00	8,301.00	TECHNICAL ASSISTANCE
97NNX-208974-00	ENERTECH	07/30/1997	09/08/2001	1,506,800.00	651,912.46	60,889.50	PERFORM ISI PROG DEVEL - SQN
97NNX-213836-00	ENERTECH	12/18/1997	03/31/2001	2,000,000.00	1,113,951.00	903,951.00	DEVELOP ASME ISI PROGRAM
99PE1-248945-00	EPRI PEAC CORPORATION	02/22/1999	12/31/2000	500,000.00	88,396.68	66,334.24	PWR SYS COMPATIBILITY ISSUES
99NN2-252987-00	ERIN ENG & RESEARCH INC	06/24/1999	10/31/2000	367,847.00	210,961.53	119,629.45	DEVELOP RISK BASES INFORMATION
00P3N-266664-00	EVANS TECHNOLOGY	09/22/2000	10/06/2000	35,000.00	0.00	0.00	CONSULTING/TECHNICAL SVS
98BG9-239265-00	EXCELL DATA CORPORATION	09/27/1998	09/30/2000	600,000.00	351,639.42	34,833.52	CONSULTING SERVICES
98PDY-242145-01	FRAMATOME TECH INC	10/02/1998	09/30/2000	317,371.00	232,737.95	76,318.50	ELECTROSLEEVE FEASIBILITY STUD
99NNQ-256540-00	FRAMATOME TECH INC	09/27/1999	08/26/2004	4,155,480.00	1,479,299.89	593,649.89	SAFETY ANALYSES ENGRG SUPPORT
00RE3-259473-00	FRANKETTA GUINN DBA MONGUINN ENTERPRISES	04/04/2000	11/30/2000	125,000.00	78,412.61	78,412.61	CONSULTING SERVICES
98PDW-241066-00	G F BOBART (D B A BOBART ASSOCIATES)	09/17/1998	03/31/2001	40,000.00	28,367.80	6,497.48	TECHNICAL ASSISTANCE
00BYS-260083-00	GARTNER GROUP P O BOX 10212	01/12/2000	12/31/2002	286,700.00	286,700.00	286,700.00	IT ADVISORY SERVICES
99NN4-243824-00	GARY L SOZZI	11/13/1998	09/30/2002	69,000.00	33,760.19	20,809.98	SERVE AS NSRB ADVISOR
99PYN-246534-00	GAS TURBINE MATERIALS ASSOCS	12/17/1998	01/16/2000	104,774.00	104,660.97	45,427.72	TURBINE BLADE ASSESSMENT
00BKX-265362-00	GKMG CONSULTING SERVICES INC	07/26/2000	12/31/1999	31,325.09	31,325.09	31,325.09	CHINA
00BKX-265450-00	GKMG CONSULTING SERVICES INC	08/08/2000	01/31/2000	35,628.08	35,628.08	35,628.08	CHINA
00PFM-266586-00	GKMG CONSULTING SERVICES INC	01/18/2000	09/30/2002	450,000.00	206,468.19	0.00	CHINA PUBLIC RELATIONS
98PPW-231664-03	HAGLER BAILLY CONSULTING, INC	06/01/1998	12/31/2000	425,000.00	0.00	0.00	DECISION ANALYSIS SUPPORT

ACTIVE CONTRACTS OF \$25,000 OR MORE--FY2000

Contract Number	Vendor	Authorized Date	Expiration Date	Authorized Amount	Amount Paid as of 11/03/2000	Paid in FY 2000	Description
99NAN-245075-00	HEAT EXCHANGER SYSTEMS INC	12/15/1998	03/15/2000	130,427.21	90,161.25	14,298.80	PROVIDE SR MECHANICAL ENGR
00BEU-264063-00	HEIDRICK & STRUGGLES, INC.	07/25/2000	06/30/2001	120,000.00	74,667.00	37,334.00	EXECUTIVE SEARCH FIRM
TV-00127W-00	HICKORY ADVISORY SERVICES	03/30/2000	12/31/1999	50,000.00	3,224.50	1,549.50	SERVS CONCERN VENTURE FUND
00BKX-258146-00	HILL & KNOWLTON INC	11/23/1999	10/06/2000	250,000.00	68,382.04	65,977.37	CONSULTING SERVICES
98BC5-228463-00	HILL & KNOWLTON INC	05/22/1998	04/20/2000	2,930,000.00	2,089,893.11	408,599.34	PUBLIC RELATIONS SERVICES
99NNQ-254781-00	HOLTEC INTERNATIONAL HOLTEC CENTER	09/27/1999	12/31/1999	181,500.00	163,350.00	163,350.00	BORON CREDIT ANALYSIS
99NCA-254488-00	HOLTEC INTERNATIONAL HOLTEC CENTER	07/20/1999	06/30/2000	300,000.00	300,000.00	300,000.00	FUEL STORAGE CAPACITY STUDY
98NAM-226436-00	HOLTEC INTERNATIONAL HOLTEC CENTER	01/27/1998	03/31/2000	457,902.00	457,902.00	31,299.32	SPENT FUEL RACK ASSESSMENT
00BGJ-265153-00	HOPKINS & SUTTER	09/14/2000	10/31/2001	100,000.00	53,598.93	48,650.46	LEGAL SERVICES
99BGJ-255589-00	HUNTON & WILLIAMS	09/22/1999	08/03/2002	1,750,000.00	1,256,682.49	724,490.37	LEGAL SERVICES
98PPW-235140-00	INFINERGY SERVICES LLC	05/18/1998	12/30/1999	175,000.00	151,476.96	13,625.00	PROVIDE JACK W. SIMMONS SVS
99BQP-250114-00	JACKSON, JACKSON & WAGNER	03/18/1999	09/30/2002	300,000.00	205,363.88	117,796.04	CONSULTING SERVICES
00BQP-266187-00	JOHN SVICAROVICH	09/06/2000	10/15/2000	25,000.00	13,125.00	0.00	CONSULTING SERVICES
98BGJ-234493-00	KOERNER & ASSOCIATES INC	05/07/1998	06/30/2001	150,000.00	73,373.82	20,000.00	SEARCH EFFORTS
00PPW-253627-00	KPMG LLP	12/16/1999	05/31/2000	1,320,000.00	1,208,372.00	1,208,372.00	PERFORMANCE MGMT/BUS REDESIGN
98PPW-226845-00	LENT SCRIVNER & ROTH	01/07/1998	12/31/2000	890,000.00	733,848.87	307,453.51	DEREGULATION STRATEGY
99PPW-237899-02	LOCKE & ASSOCIATES	10/21/1998	09/30/2001	500,000.00	290,261.95	137,623.22	EXECUTIVE SEARCH FIRM
TV-98359V-00	MCCARTER & ENGLISH	09/05/1995	12/31/2000	175,000.00	165,000.00	32,500.00	LEGAL SERVICES
99PPW-237900-00	MEDINA & THOMPSON INC	01/13/1999	09/30/2001	850,000.00	31,321.43	31,321.43	MANAGEMENT ASSESSMENTS
99B4P-244442-00	METAPOWER, LLC	03/11/1999	03/15/2002	4,500,000.00	2,255,020.25	1,583,283.57	BUS. PROCESS REDESIGN CONSULT.
99RHQ-256396-00	MICHELLE MAKUCH HOFFMAN	10/19/1999	09/30/2000	30,000.00	30,000.00	30,000.00	PROMOTIONS AND MARKETING
96VYE-179899-00	MICROSOFT CONSULTING SERVICES	06/18/1996	09/20/2001	443,210.00	388,326.67	0.00	MICROSOFT PRODUCTS CONSULTING
TV-76948T-00	MONDAY & COMPANY	10/26/1994	12/31/2001	998,000.00	474,231.77	66,026.65	REAL ESTATE TAX ASSESSMENT
97NNX-221315-00	MPR ASSOCIATES INC	11/20/1997	12/30/2001	100,000.00	51,131.10	6,412.19	MOV ASSESSMENTS
98NAN-235770-00	N W T CORP	06/09/1998	09/30/2000	30,000.00	8,728.79	0.00	PROV. TECH. OVERSIGHT CHEM PRO
99PPW-237899-06	NATIONAL EXECUTIVE SEARCH CONSULTANTS	11/03/1999	09/30/2001	50,000.00	15,555.00	15,555.00	EXE & PROFESSIONAL RECRUITMENT
98PPW-241455-00	NAVIGANT CONSULTANT INC	09/25/1998	02/01/2000	56,000.00	54,862.01	2,063.61	BENCHMARKING STUDY
98PE4-230976-00	NAVIGANT CONSULTING INC	04/28/1998	03/31/2001	550,000.00	263,840.00	9,200.00	ENERGY AUDIT AND SERVICES
99P3J-255212-00	NAVIGANT CONSULTING, INC.	08/23/1999	12/20/1999	134,896.00	127,662.00	127,662.00	ASSESSMENT OF SOP'S
00P3J-259686-00	NAVIGANT CONSULTING, INC.	02/29/2000	07/15/2000	153,000.00	130,967.71	130,967.71	CHEROKEE ELECTRONIC SOP'S
98PPW-231664-02	NAVIGANT CONSULTING, INC.	09/22/1998	12/31/2000	425,000.00	252,047.76	252,047.76	DECISION ANALYSIS SUPPORT
00BGJ-260861-00	NEIL P. COHEN	03/03/2000	08/01/2000	27,000.00	24,693.73	24,693.73	CONSULTING
99BKY-246059-00	NORTH MISSISSIPPI ENTERPRISE INITIATIVE	07/07/1999	09/30/2001	800,000.00	270,607.47	128,046.06	DEVELOP BUSINESS INCUBATION SY
98PE2-239781-00	O.I., INC	09/30/1998	12/31/2000	66,000.00	46,352.32	0.00	NEW PRODUCT & BUSINESS DEVELOP
98BGJ-231093-00	ORRICK HERRINGTON & SUTCLIFFE LLP	05/06/1998	03/30/2002	1,950,000.00	616,470.98	345,965.31	LEGAL SERVICES
98PPW-233189-00	P & A INNOVATORS CORP	09/24/1998	09/30/2001	1,000,000.00	560,260.41	193,780.98	WORK SAMPLING
00PPW-265322-00	PERFORMANCE IMPROVEMENT	07/31/2000	09/30/2000	40,000.00	30,000.00	0.00	CORRECTIVE ACTION PRGM ASSMNTS
99PDW-251039-00	PHB HAGLER BAILLY, INC	06/22/1999	09/30/1999	89,000.00	88,995.33	40,884.84	QUANTITATIVE RESEARCH
99PDW-255506-00	PHILIP R ELLIS	08/09/1999	09/30/2001	95,000.00	46,619.80	36,208.52	ADVISE AND ASSIST.
99PPW-248806-00	POWER TECHNOLOGIES INC	03/17/1999	05/31/2001	25,000.00	15,040.00	0.00	CONSULTING SERVICES
99PMH-256280-00	POWER TECHNOLOGIES INC	11/16/1999	11/30/1999	25,000.00	7,765.00	7,765.00	EVAL IMPLICATIONS OF AN IPP
00PDX-259645-00	POWER TECHNOLOGIES INC	09/11/2000	05/31/2000	80,640.00	80,640.00	80,640.00	SYSTEM IMPACT STUDY
00BGJ-262020-00	POWERSMITH INTERNATIONAL INC.	03/28/2000	08/01/2001	75,000.00	10,200.00	10,200.00	LITIGATION ASSISTANCE
97BKX-206955-00	PRICEWATERHOUSECOOPERS LLP	05/21/1998	05/24/2001	50,000.00	30,264.30	17,033.30	FINANCIAL CONSULTING
00BQP-259236-00	PRICEWATERHOUSECOOPERS LLP	01/03/2000	12/31/2000	60,000.00	48,088.00	39,088.00	CONSULTING SERVICES
99BQP-246441-00	PRICEWATERHOUSECOOPERS LLP	02/24/1999	08/25/2000	63,000.00	62,792.00	5,044.00	TRITIUM STUDY
99BQP-250067-00	PRICEWATERHOUSECOOPERS LLP	03/10/1999	09/30/2000	120,000.00	52,932.00	27,783.00	FINANCIAL CONSULTING SERVICES
97BB4-225924-00	PRICEWATERHOUSECOOPERS LLP	12/10/1997	12/30/2002	300,000.00	90,277.00	0.00	FINANCIAL SERVICES
99BEU-236416-01	PRICEWATERHOUSECOOPERS LLP	06/25/1999	05/31/2001	300,000.00	236,989.62	221,319.02	EMP BEN CONSULTING & ACTUARIAL
97BB4-217604-00	PRICEWATERHOUSECOOPERS LLP	10/29/1997	08/31/2005	400,000.00	142,453.35	17,688.00	FINANCIAL SERVICES
98BQP-236416-00	PRICEWATERHOUSECOOPERS LLP	02/22/1999	09/30/2001	2,668,300.00	1,825,551.14	1,005,933.42	AUDITING SERVICES

ACTIVE CONTRACTS OF \$25,000 OR MORE--FY2000

Contract Number	Vendor	Authorized Date	Expiration Date	Authorized Amount	Amount Paid as of 11/03/2000	Paid in FY 2000	Description
00P1G-258004-00	PROCESS CONTROL INC	10/25/1999	11/01/2001	30,000.00	19,749.82	10,464.84	ANALYZER, SERVICE/MAINTENANCE
99BQP-251322-00	PUBLIC POLICY MANAGEMENT GROUP	06/10/1999	03/31/2001	46,700.00	46,700.00	24,545.00	RESEARCH AND CONSULTATION
00BKX-260900-00	QUINN GILLESPIE & ASSOC, LLC	03/13/2000	12/31/2000	400,000.00	250,642.64	200,642.64	CONSULTING SERVICES
96BQB-170263-00	R L DANIELL & ASSOC INC	05/13/1996	05/11/2001	177,100.00	79,418.62	1,962.83	RELIABILITY STUDY
99BQP-253818-00	RANDY KREUS	06/10/1999	09/30/2001	483,000.00	98,255.49	70,365.38	CONSULTING SERVICES
99PPW-256097-00	RESEARCH TRIANGLE INSTITUTE	08/27/1999	05/17/2004	25,000.00	5,000.00	5,000.00	ENVIRONMENTAL BENCHMARKING
TV-95300V-00	RHR INTERNATIONAL COMPANY	07/08/1996	09/30/2003	2,980,000.00	1,489,013.82	554,809.91	EXECUTIVE SEARCH FIRM
98PPW-234333-00	RICHARD H RIGGS	07/06/1998	09/14/2001	485,000.00	334,957.69	132,286.38	ONSITE COORDINATOR FOR LOWNOX
00PPW-257931-00	RISK TECHNOLOGIES, LLC	12/16/1999	09/30/2001	245,000.00	120,353.08	118,156.58	DEVELOP EMERGENCE NOTIFY SYS.
00PC5-258120-00	RKS RESEARCH AND CONSULTING	01/14/2000	09/30/2000	81,464.00	66,478.28	66,478.28	MARKET RESEARCH
TV-55304A-00	ROBERT B JANSEN	06/29/1992	12/31/2000	300,000.00	238,807.02	21,261.80	CONSULT ON HYDRO PROJECTS
00NCA-263263-00	ROBERT J MULLIN	04/24/2000	12/31/2000	40,000.00	0.00	0.00	WRITE TECHNICAL SPECIFICATIONS
99NNQ-254782-00	ROBERT J MULLIN	07/02/1999	04/30/2000	86,000.00	85,920.00	66,240.00	SPENT FUEL STORAGE CONSULTANT
00PC5-264088-00	ROBERT T. SMIRA DBA RTS ASSOCIATES	05/31/2000	09/30/2000	25,000.00	25,000.00	12,500.00	BENCHMARKING STUDY
00BGJ-259494-00	ROY J. SHANKER	01/18/2000	12/31/2000	50,000.00	16,555.00	16,555.00	LITIGATION SUPPORT
TV-94216V-00	RPS ENGINEERING INC	01/09/1995	09/30/2000	285,000.00	267,661.43	31,412.59	ASSESS LOW NOX BURNER INSTALL
00PC5-259433-00	SCHULMAN, RONCA, AND BUCUVALAS, INC	05/03/2000	09/30/2001	170,000.00	14,522.22	5,227.52	CONSULTATION/TECHNICAL ASSIST.
99PDW-234967-00	SCHULMAN, RONCA, AND BUCUVALAS, INC	11/09/1998	12/31/2001	300,000.00	113,729.71	80,714.85	MARKET RESEARCH
99PPW-247082-00	SCIENCE APPLICATIONS INTL CORP	01/22/1999	12/31/2002	400,000.00	275,325.76	178,540.88	TOXIC RELEASE REPORTING
98PPW-226737-00	SCS ENGINEERS	05/01/1998	12/31/1999	225,000.00	189,356.78	11,537.34	INVESTIGATE GAS SUPPLIES
00BHQ-261547-00	SENN-DELANEY LEADERSHIP CONSULTING GROUP INC	03/30/2000	03/19/2001	800,000.00	635,358.51	137,997.51	STAR 7
97BKX-220339-00	SENN-DELANEY LEADERSHIP CONSULTING GROUP INC	11/13/1997	09/30/2000	4,800,000.00	4,654,195.62	461,287.79	CONSULTING-STAR 7
97P8B-218892-00	SEVERN TRENT SYSTEMS	09/05/1997	09/30/2000	641,250.00	582,605.74	1,800.00	CONSULTING SERVICES
TV-93036V-00	SGS STATISTICAL SERVICES	04/07/1995	12/31/2007	160,000.00	54,529.90	12,500.00	BENCHMARKING STUDY
00PMH-262115-00	SHAWNEE POWER CONSULTING LLC	04/13/2000	02/28/2001	100,000.00	29,530.08	16,014.58	DETERM.CAUSE OF TRANSF.FAILURE
00PPW-261301-00	SHELTON COMMUNICATIONS CORP.	03/20/2000	09/30/2000	25,000.00	17,919.22	17,598.52	STUDY
00PPW-259768-00	SOUTHERN COAL HANDLING CO	01/10/2000	01/31/2000	64,562.50	64,562.50	64,562.50	TRACK STUDY
99PPW-245800-00	STEAG LLC	01/05/1999	11/30/1999	70,000.00	19,459.46	19,459.46	SCR SYSTEM EXPERT ADVICE
98PPW-231669-00	STEPHEN FEHR	04/17/1998	09/30/2000	90,000.00	59,840.00	2,112.00	THERMODYNAMIC MODELING SUPPORT
98PPW-231664-01	STRATEGIC DECISIONS INC	08/05/1998	12/31/2000	425,000.00	27,434.66	0.00	PROV DECISION ANALYSIS SUPPORT
97PPW-214785-00	STRATEGIC ENERGY ADVISORS	07/18/1997	12/31/2000	498,000.00	449,927.13	124,016.03	DEVELOP ACTION PLAN
TV-72135A-00	SUGHRUE, MION, ZINN, MACPEAK & SEAS	04/03/1992	12/31/2000	135,000.00	99,796.16	38,060.74	LEGAL SERVICES
98BGJ-240185-00	SUTHERLAND, ASBILL & BRENNAN	10/09/1998	09/30/2000	125,000.00	62,701.25	24,075.73	LEGAL SERVICES
TV-72363A-00	SUTHERLAND, ASBILL & BRENNAN	04/03/1992	09/30/2001	155,000.00	131,224.12	38,668.33	LEGAL SERVICES
TV-97767V-00	SUTHERLAND, ASBILL & BRENNAN	04/09/1996	09/30/2001	480,000.00	414,634.41	11,281.50	LEGAL SERVICES
00PPW-263355-00	TAHOE MOUNTAIN GROUP INC	06/09/2000	10/31/2000	97,000.00	20,918.10	20,918.10	COACHING/EMPLOYEE DEVELOPMENT
TV-96837V-00	TARATEC CORPORATION	03/29/1996	05/31/2001	400,000.00	217,707.30	59,024.50	ADV&ASST-DEV ELECTRIF & CUST RET
00NN3-258220-00	TEAM ASSOCIATES, INC.	11/09/1999	12/31/1999	138,000.00	138,000.00	138,000.00	INDEPEND REVIEW RESTART BFN U1
TV-94218V-00	TEAM ASSOCIATES, INC.	01/17/1995	12/31/2000	5,000,000.00	4,242,096.59	173,766.04	ASSISTANCE W/IMPLEMENTATION
99PPW-237899-10	TECH SEARCH, INC.	04/13/1999	09/30/2001	75,000.00	63,685.00	32,360.00	EXE & PROFESSIONAL RECRUITMENT
98PE4-221595-00	TED WYNNE ENGINEERING/ CONTRACTORS INC	05/08/1998	03/31/2001	250,000.00	34,966.84	15,000.00	ENERGY AUDIT AND SERVICES
00BDU-264617-00	THE ACADEMY GROUP, INC.	06/30/2000	09/29/2000	41,000.00	4,331.25	4,331.25	SECURITY PROFILING & EVALUATION
00PDW-258447-00	THE HADRON GROUP INC	11/22/1999	03/31/2001	192,181.43	122,148.40	103,226.87	PROGRAM REVIEW/DEVELOPMENT SVS
99PDW-242882-00	THE MARKETING WORKSHOP INC	02/15/2000	09/30/2001	300,000.00	3,000.00	3,000.00	MARKET RESEARCH/PUBLIC OPINION
99PPW-237899-03	THE MCAULAY FIRM	11/17/1998	09/30/2001	500,000.00	261,209.85	69,219.92	EXECUTIVE SEARCH FIRM
97NNX-193769-00	THE WRIGHT GROUP	11/08/1996	09/30/2001	175,000.00	126,826.00	0.00	HUMAN RESOURCE MGMT SVS
99BQP-253778-00	THOMAS L CARTER	06/28/1999	12/31/2000	135,000.00	124,743.09	65,628.80	CONSULTING SERVICES
97NNX-194558-00	THOMAS L GERBER	11/22/1996	04/30/2002	275,000.00	146,978.44	30,170.88	ADVISOR TO NSRB, ETC.
TV-69836A-00	THOMAS M LEPS INCORPORATED	04/03/1992	12/31/2000	275,000.00	242,577.94	26,562.97	CONSULT--HYDRO DESIGN CRITERIA
99BQP-248038-00	TIM D MARTIN & ASSOCIATES INC	03/04/1999	01/20/2001	975,000.00	894,000.00	379,000.00	STAFF BENCHMARKING SERVICES
99RE5-248987-00	TN RIVER VALLEY ASSN.	02/19/1999	12/31/2000	70,000.00	68,358.62	34,066.10	COMMUNICATION OF NAV ISSUES

ACTIVE CONTRACTS OF \$25,000 OR MORE--FY2000

Contract Number	Vendor	Authorized Date	Expiration Date	Authorized Amount	Amount Paid as of 11/03/2000	Paid in FY 2000	Description
99BKX-258838-00	TOM JACKSON & ASSOCIATES INC	11/18/1999	08/01/2000	150,000.00	149,233.47	149,233.47	CONSULTING SERVICES
98BB4-229667-00	TOWERS PERRIN	07/07/1998	03/31/2000	300,000.00	299,381.58	50,000.00	COMPENSATION & SALARY SURVEY
97BKX-203043-00	TOWERS PERRIN	07/18/1997	06/21/2000	2,575,000.00	2,308,004.81	281,087.33	ELECTRONIC MARKET-PRICE INFO
99BGJ-250136-00	TSUNEMATSU YANASE & SEKINE	04/13/1999	12/31/1999	75,000.00	64,106.65	64,106.65	LEGAL SERVICES
99PPW-247532-00	UMS GROUP, INC.	01/26/1999	09/30/2002	67,500.00	60,257.36	28,280.75	ITOMS BENCHMARKING PROGRAM
98BGT-240404-00	UTILITIES/AVIATION SPECIALISTS INC	09/16/1998	12/23/2003	134,657.82	68,052.26	48,452.26	COMPREHENSIVE AUDIT
00BGJ-260631-00	VENABLE	03/09/2000	06/01/2000	35,000.00	17,569.45	17,569.45	LEGAL SERVICES
00BGJ-263018-00	WALLER LANSDEN DORTCH & DAVIS PLLC	07/27/2000	04/12/2001	1,200,000.00	1,069,654.63	526,116.47	LEGAL SERVICES
00BGJ-265074-00	WILLIAM H. THOMPSON	07/20/2000	12/31/2000	25,000.00	3,205.00	3,205.00	LITIGATION SUPPORT
99BB4-242804-00	WILLIAM M MERCER, INC	06/08/1999	03/31/2002	350,000.00	231,943.97	88,450.40	COMPENSATION & SALARY SURVEY
00BGJ-259175-00	WINSTON & STRAWN	03/24/2000	09/30/2000	140,000.00	43,003.32	30,666.22	LEGAL SERVICES - NUCLEAR
99BGJ-244916-00	WINSTON & STRAWN	02/16/1999	09/30/1999	150,000.00	107,139.61	82,479.81	LEGAL SERV. - NUCLEAR GENERAL
99PPW-255607-00	WYATT, TARRANT & COMBS	09/24/1999	03/19/2000	150,000.00	66,155.50	66,155.50	ADVICE & ASSIST RE:COAL INDSTR
00PPW-266197-00	ZZ CONSULTING LLC	08/28/2000	05/01/2001	38,497.00	18,000.00	0.00	PERFORM CONSULTING SERVICES

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
COMMUNITY SUPPORT EVENTS						
May-98	Power Play Scholarship Golf Tournament	West Point, MS	Fund raiser for Distributor Scholarship Fund	Power Distributors, TVA Board, Executives and Management	120	\$38,000
May-00	Power Play Scholarship Golf Tournament	Young Harris, GA	Fund raiser for Distributor Scholarship Fund	Power Distributors, TVA Board, Executives and Management	120	\$36,000
May-99	Power Play Scholarship Golf Tournament	Young Harris, GA	Fund raiser for Distributor Scholarship Fund	Power Distributors, TVA Board, Executives and Management	120	\$25,000
CONFERENCES AND WORKSHOPS						
March-00	Financial Analyst Conference	New York, NY	Ensure TVA retains triple-A bond ratings (and lower interest costs)	Financial Analysts	80-100	\$255,000
March-98	Financial Analyst Conference	New York, NY	Ensure TVA retains triple-A bond ratings (and lower interest costs)	Financial Analysts	100	\$225,000
March-99	Financial Analyst Conference	New York, NY	Ensure TVA retains triple-A bond ratings (and lower interest costs)	Financial Analysts	80-100	\$225,000
November-00	Investment Challenge-Conference and Jobs Fair	Nashville, TN	To allow students an opportunity to interview with top ranked companies and attend seminars and hear from speakers recognized as experts in their field.	Students and Faculty of Colleges involved in the Investment Challenge	350	\$207,590
November-99	Investment Challenge-Conference and Jobs Fair	Nashville, TN	To allow students an opportunity to interview with top ranked companies and attend seminars and hear from speakers recognized as experts in their field.	Students and Faculty of Colleges involved in the Investment Challenge	350	\$190,385
October-98	Investment Challenge-Conference and Jobs Fair	Nashville, TN	To allow students an opportunity to interview with top ranked companies and attend seminars and hear from speakers recognized as experts in their field.	Students and Faculty of Colleges involved in the Investment Challenge	350	\$168,728
April-99	Diversity Conference	Nashville, TN	Increase understanding of managing diversity of all types	National diversity experts	460	\$166,969

Note: We relied on the information TVA management provided and have not independently verified the costs associated with each event.

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
April-00	Investment Challenge-Conference and Awards Ceremony	Nashville, TN	To recognize those universities who have outperformed the S&P 500 the previous calendar year.	Students and Faculty of Colleges involved in the Investment Challenge	300	\$161,413
April-99	Investment Challenge-Conference and Awards Ceremony	Nashville, TN	To recognize those universities who have outperformed the S&P 500 the previous calendar year.	Students and Faculty of Colleges involved in the Investment Challenge	300	\$126,924
October-99	Fall Industrial Conference	Nashville, TN	TVA Executive Updates with Customer's Corporate Officials	Directly Served Customers, TVA Board, Execs and Mgmt	125	\$108,300
October-98	Fall Industrial Conference	Nashville, TN	TVA Executive Updates with Customer's Corporate Officials	Directly Served Customers, TVA Board, Execs and Mgmt	125	\$79,300
April-98	Investment Challenge-Conference and Awards Ceremony	Nashville, TN	To recognize those universities who have outperformed the S&P 500 the previous calendar year.	Students and Faculty of Colleges involved in the Investment Challenge	300	\$79,239
October-00	Fall Industrial Conference	Nashville, TN	TVA Executive Updates with Customer's Corporate Officials	Directly Served Customers, TVA Board, Execs and Mgmt	125	\$58,200
April-98	East - West Conference	Nashville, TN	Enhance business opportunities for Valley businesses and encourage foreign businesses to invest or increase investments in the Valley	Political leaders, Power Distr, Valley and foreign businessmen, Econ Dev professionals. Potential Customers, TVA Mgt	300	\$48,000
May-00	Energy Oasis 2000 - TVA Reception	NP	TVA Energy Survey User's Conference	Power Distributors, TVA Management	50	\$37,400
Mar/Apr-00	Annual Rural Development Conference	Cookeville, TN	Cosponsor (w/USDA & TTU) to enhance community leaders' and econ developers' knowledge of key issues facing rural communities and new programs and tools.	Political Leaders, Power Distributors, Economic Dev professionals, Business Leaders, TVA Board, Execs/Mgmt	300-500	\$29,000
April-98	Minority Market Place 1998 trade fair with Mid South Minority Business Council	Memphis, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	5,000	\$25,000
April-99	Minority Market Place 1999 trade fair with Mid South Minority Business Council	Memphis, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	5,000	\$25,000

NP = Not provided by TVA.

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
June-99	WATTEC/Tennessee's Technology Summit	Knoxville, TN	Assist in sponsoring Valley wide technology summit in Knoxville and Oak Ridge, TN and preconference reception	Political Leaders, Power Distributors, Economic Dev professionals, Business Leaders, TVA Board, Execs/Mgmt	600	\$25,000
June-00	Tennessee Valley 2000 Economic Summit	Huntsville, AL	Assist in sponsoring Valley wide economic summit and TVA Reception in Huntsville, AL	Political Leaders, Power Distributors, Economic Dev professionals, Business Leaders, TVA Board, Execs/Mgmt	1,000	\$25,000
August-00	Minority Market Place 2000 trade fair with Tennessee Minority Supplier Development Council	Nashville, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	NP	\$25,000
September-00	Minority Market Place 1999 trade fair with Tennessee Minority Supplier Development Council	Nashville, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	NP	\$25,000
September-00	Minority Market Place 2000 trade fair with Mid South Minority Business Council	Memphis, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	5,000	\$25,000
August-98	Minority Market Place 1998 trade fair with Tennessee Minority Supplier Development Council	Nashville, TN	Link corporate purchasing officials with minority supplier representatives.	Minority business and corporations	NP	\$20,000
April-99	International Facilities Management Association Conference	Nashville, TN	TVA sponsorship of the Certified Facilities Manager (CFM) Exam Review, CFM Exam, and Utilities Council Annual Spring Meeting	NP	80	\$19,750
August-99	China Delegation	Knoxville, TN	Further develop positive relationships with the People's Republic of China	China Visitors	30	\$19,352
Mar/Apr-99	Annual Rural Development Conference	Cookeville, TN	Cosponsor (w/USDA & TTU) to enhance community leaders' and econ developers' knowledge of key issues facing rural communities and new programs and tools.	Political Leaders, Power Distributors, Economic Dev professionals, Business Leaders, TVA Board, Execs/Mgmt	300-500	\$17,000
August-98	China Delegation	Knoxville, TN	Further develop positive relationships with the People's Republic of China	China Visitors	30	\$16,305
June-98	Quality Community Conference	Nashville, TN	Enhance economic developers' and community leaders' knowledge to better evaluate, understand and use economic indicators & trends in local planning	Political Leaders, Power Distributors, Econ Dev prof, Business Leaders, TVA Mgmt	130	\$15,000

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
Mar/Apr-98	Annual Rural Development Conference	Cookeville, TN	Cosponsor (w/USDA & TTU) to enhance community leaders' and econ developers' knowledge of key issues facing rural communities and new programs and tools.	Political Leaders, Power Distributors, Economic Dev professionals, Business Leaders, TVA Board, Execs/Mgmt	300-500	\$14,000
September-98	EPRI Conference	Chattanooga, TN	NP	NP	100	\$12,300
July-98	Alabama Consumer Owned Power Distributor Assoc - TVA Reception	NP	TVA Reception	Power Distributors, TVA Board, Executives and Management	200	\$10,100
May-98	TVPPA Annual Conference - TVA Luncheon	Nashville, TN	Conference Lunch	Power Distributors, TVA Board, Executives and Management	NP	\$10,000
May-99	TVPPA Annual Conference - TVA Luncheon	Nashville, TN	Conference Lunch	Power Distributors, TVA Board, Executives and Management	NP	\$10,000
May-00	TVPPA Annual Conference - TVA Luncheon	Nashville, TN	Conference Lunch	Power Distributors (PD), TVA Board, Executives and Management	NP	\$10,000
August-00	Quality Community Conference	Nashville, TN	Enhance economic developers' and community leaders' knowledge to better evaluate, understand and use economic indicators & trends in local planning	Political Leaders, Power Distributors, Econ Dev prof, Business Leaders, TVA Mgmt	130	\$9,000
CUSTOMER APPRECIATION EVENTS						
Oct/Nov-00	<i>energy right</i> Awards Celebration	Nashville, TN	Recognize Trade Allies	Trade Allies, PDs, TVA Board, Execs and Mgmt	1,318	\$452,000
Oct/Nov-99	<i>energy right</i> Awards Celebration	Nashville, TN	Recognize Trade Allies	Trade Allies, PDs, TVA Board, Execs and Mgmt	1,180	\$346,000
Oct/Nov-98	<i>energy right</i> Awards Celebration	Nashville, TN	Recognize Trade Allies	Trade Allies, PDs, TVA Board, Execs and Mgmt	1,050	\$196,000
March-99	NRECA Conference - TVA Reception	Anaheim, CA	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	450	\$141,000
June-98	APPA Conference - TVA Reception	San Antonio, TX	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	350	\$135,000
June-99	APPA Conference - TVA Reception	Salt Lake City, UT	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	350	\$106,000
March-00	NRECA Conference - TVA Reception	Orlando, FL	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	450	\$96,000

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
Mar-98	NRECA Conference - TVA Reception	Nashville, TN	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	450	\$84,000
June-00	APPA Conference - TVA Reception	Orlando, FL	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	350	\$76,000
November-99	Middle TN Customer Appreciation	Nashville, TN	TVA hosted reception	Power Distributors, TVA Board, Executives and Management	400	\$33,400
May-99	NRECA Legislative Rally - TVA Reception	Washington, DC	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	150-200	\$20,000
May-00	NRECA Legislative Rally - TVA Reception	Washington, DC	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	150-200	\$17,000
January-98	APPA Conference - Reception & Dinner	Washington, DC	NP	NP	109	\$15,129
May-98	NRECA Legislative Rally - TVA Reception	Washington, DC	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	150-200	\$14,300
December-99	Mississippi Customer Appreciation Dinner -Christmas	NP	TVA hosted reception and dinner	Power Distributors, TVA Board, Executives and Management	90	\$13,900
March-00	TVPPA Legislative Rally - TVA Reception	Washington, DC	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	200	\$13,600
December-00	Huntsville Utilities 60th Anniversary Event	Huntsville, AL	TVA Reception and Dinner	Power Distributors, TVA Board, Executives and Management	150	\$13,600
November-99	Kentucky Customer Appreciation	NP	TVA hosted reception and dinner	Power Distributors, TVA Board, Executives and Management	90	\$13,500
September-99	Nashville Electric Service 60th Anniversary Event	Nashville, TN	TVA Reception and Dinner	Power Distributors, TVA Board, Executives and Management	100	\$13,000
August-98	EPA of Mississippi	NP	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	150	\$12,200
April-00	Regional Directly Served Appreciation Dinner - Mississippi	NP	Recognize MS Directly Served Customers	Directly Served Customers, TVA Board, Execs and Mgmt	53	\$12,100
June-98	Mississippi Municipal League	NP	TVA Board Hosted Reception	Power Distributors, TVA Board, Executives and Management	150	\$10,400
December-00	Mississippi Customer Appreciation Dinner -Christmas	NP	TVA hosted reception and dinner	Power Distributors, TVA Board, Executives and Management	90	\$7,400

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
FACILITY DEDICATIONS						
January-00	Public Power Institute - Ribbon Cutting Ceremony	Muscle Shoals, AL	To dedicate the newly created Public Power Institute	NP	500	\$16,120
December-99	Wilson Visitor Center Reopening	Wilson Dam, AL	Facility dedication and public visibility	NP	150	\$15,000
October-00	South Holston Open House	South Holston Hydro Plant	Celebrate 50 years of operation and give public access to the plant.	NP	1,200	\$10,000
RECEPTIONS						
July-99	Canadian Trade Mission Reception - 4th of July Celebration (In concert w/US Ambassador to Canada)	Ottawa, Canada	Enhance business opportunities for Valley businesses and encourage Canadian businesses to invest or increase investments in the Valley	US and Canadian national officials, State of Tenn officials, Valley and Canadian businessmen, TVA Exec/Mgt	6,500	\$170,000
January-99	Director Hayes Farewell	Various	TVA/TVPPA reception honoring Director Hayes	Power Distributors, TVA Board, Executives and Management	350	\$34,000
May-00	MLGW Reception	Memphis, TN	NP	NP	200	\$32,030
March-99	Reception - Pulaski Electric System	Pulaski, TN	In conjunction with TVA Board meeting	Power distributors, federal and local government officials, business and community leaders, and economic development directors	147	\$28,808
April-00	Pontotoc Electric Power Association Reception	Pontotoc, MS	In conjunction with TVA Board meeting	See March 1999	500	\$25,611
July-98	Johnson City Customer Appreciation Reception	Greenville, TN	In conjunction with TVA Board meeting	See March 1999	181	\$19,834
February-00	Chattanooga Electric Power Board Dinner/Reception	Chattanooga, TN	In conjunction with TVA Board meeting	See March 1999	25	\$16,496
June-99	Mississippi Power Distributor Reception	West Point, MS	NP	Mississippi Power Distributors	290	\$16,341
August-99	Supplier Reception	Chattanooga, TN	NP	TVA and Suppliers	40	\$15,856
March-00	Nashville Electric Service Breakfast	Nashville, TN	In conjunction with TVA Board meeting	See March 1999	32	\$15,540
February-98	Board Reception hosted by Louisville Utilities	Louisville, Mississippi	In conjunction with TVA Board meeting	See March 1998	77	\$15,358
May-98	MLGW Reception/ Dinner	Memphis, TN	NP	NP	9	\$14,733

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
June-99	U.S. Embassy Reception	London, England	Reception honoring Gov. Don Sundquist (TN) in conjunction with his Trade Mission to the UK and Germany	Tennessee business leaders and elected officials; London business leaders; Media executives; Industrial prospects; Members of Parliament	300	\$14,721
December-98	Breakfast with Paducah Power System	Paducah, KY	In conjunction with TVA Board meeting	See March 1999	35	\$13,911
January-00	TVA Board Meeting	Muscle Shoals, AL	TVA Board Hosted Reception	See March 1999	NP	\$13,700
April-98	Board Meeting	Bowling Green, KY	In conjunction with TVA Board meeting	See March 1999	200	\$13,661
September-98	Carroll County Electric Board Breakfast	Huntingdon, TN	In conjunction with TVA Board meeting	See March 1999	22	\$13,483
February-98	Luncheon hosted by East Mississippi EPA and Meridian Naval Base - Diesel Generators Dedication	Meridian, MS	NP	NP	200	\$13,057
January-00	Reception honoring new TVA Board	Various	TVA/Distributor reception honoring the new TVA Board	Power Distributors, TVA Board, Executives and Management	200	\$11,500
March-98	Board Meeting and Breakfast	Arab, AL	In conjunction with TVA Board meeting	See March 1999	121	\$11,459
March-99	Kentucky Coal Suppliers - Dinner, Reception, and Forum	Lexington, KY	NP	Kentucky Coal Suppliers	72	\$11,433
August-98	Carroll County Electric Dept. Dinner (Hosted by CCED)	Huntingdon, TN	NP	NP	22	\$11,383
January-99	Southeast Distributors Breakfast	Chattanooga, TN	NP	Distributors	50	\$11,212
June-98	Clarksville Department of Electric Breakfast w/ Ken Spradlin	Clarksville, TN	In conjunction with TVA Board meeting	See March 1998 above	36	\$10,997
October-98	Nashville Electric Service Board - Breakfast	Nashville, TN	In conjunction with TVA Board meeting	See March 1998 above	47	\$10,061
SPECIAL GROUPS						
June-99	US Women's Open	West Point, MS	Reception and event sponsorship	Power Distributors, Directly Served Customers, TVA Board, Economic Development officials, TVA Management	775	\$276,600

SPECIAL EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Event Name	Event Location	Purpose	Guests	Number of Attendees (Estimated)	Total Event Cost
Mar-00	Bristol Races (Mar & Aug races are primary events)	Bristol, TN	Enhance business recruitment opportunities and customer relationships	Tenn & local govt. officials, Business prospects, Power Customers, Econ Dev professionals, Business Leaders, TVA Execs/Mgmt	300	\$50,000
Aug-00	Bristol Races (Mar & Aug races are primary events)	Bristol, TN	Enhance business recruitment opportunities and customer relationships	Tenn & local govt. officials, Business prospects, Power Customers, Econ Dev professionals, Business Leaders, TVA Execs/Mgmt	300	\$50,000
February-98	State Chiefs Coordination Meeting	Huntsville, AL	Coordination with state resource water quality and agricultural offices—as well as Valley environmental groups.	State and local officials; representatives of environmental groups	40-60	\$17,500
March-99	State Chiefs Coordination Meeting	Huntsville, AL	Coordination with state resource water quality and agricultural offices—as well as Valley environmental groups.	State and local officials; representatives of environmental groups	40-60	\$17,500
February-00	State Chiefs Coordination Meeting	Huntsville, AL	Coordination with state resource water quality and agricultural offices--as well as Valley environmental groups.	State and local officials; representatives of environmental groups	40-60	\$17,500
May-00	Regional Resource Stewardship Council	Huntsville, AL	Regional council meetings used by TVA to obtain advice from the public and private sectors on the management of the natural resources of the Tennessee Valley	Regional Resource Stewardship Council; General Public	75	\$10,600

BARGE EVENTS AND COSTS—FY 1998 THROUGH DECEMBER 31, 2000

Event Date	Location	Guests	Number of Attendees (Estimated)	Total Event Cost
COMMUNITY SUPPORT BARGE EVENTS				
June-00	Chattanooga Riverbend Festival	General Public	5,000	\$28,036
June-99	Chattanooga Riverbend Festival	General Public	5,000	\$22,687
June-98	Chattanooga Riverbend Festival	General Public	5,000	\$21,000
CUSTOMER APPRECIATION BARGE EVENTS				
October-98	Gallatin, TN	Distributors and local leaders	475	\$18,708
October-97	Gallatin, TN	Distributors and local leaders	327	\$16,600
June-98	Watts Bar (Spring City, TN)	Distributors and local leaders	200	\$14,620
September-98	Clarksville, TN	Distributors and local leaders	225	\$11,252
July-98	Huntsville, AL	Distributors and local leaders	220	\$11,248
September-98	Paris, TN	Distributors and local leaders	225	\$10,771
October-97	Florence, AL	Distributors and local leaders	268	\$10,600
August-98	Pickwick, TN	Distributors and local leaders	225	\$10,430
October-98	Florence, AL	Distributors and local leaders	250	\$10,347
August-98	Columbus, MS	Distributors and local leaders	225	\$10,214
June-98	Chattanooga, TN	Distributors and local leaders	334	\$9,692
September-98	Paducah, KY	Distributors and local leaders	175	\$9,637

**TVA Executive Air Travel
King Air 350**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
10/4/99	N507EB	Knoxville-Chattanooga- Washington-Knoxville	4.0	Ed Christenbury, Steve Bender Janet Ellison, Jan Cable Norman Zigrossi, Oswald J. Zeringue Joe Bynum, 1 Official Guest
10/5/99	N507EB	Knoxville-Chattanooga- Aberdeen, MS-Oxford, MS- Chattanooga-Knoxville	2.7	
10/6/99	N507EB	Knoxville-Washington- Knoxville	3.1	Bill Oden, 1 Official Guest Janet Ellison, David Smith Jan Cable, Steve Bender Norman Zigrossi, Edward Christenbury Bob Kollar
10/19/99	N507EB	Knoxville-Philadelphia, PA- Knoxville	4.0	Craven Crowell Steve Bender
10/20/99	N507EB	Knoxville-Nashville-Knoxville	1.3	Craven Crowell
10/27/99	N507EB	Knoxville-Nashville- Washington-Knoxville	3.9	Craven Crowell
10/28/99	N507EB	Knoxville-Chattanooga- Bristol-Chattanooga- Knoxville	2.2	Gail Satterfield John Gardner Terry Boston
11/3/99	N507EB	Knoxville-Muscle Shoals- Dayton, TN-Starkville, MS- Muscle Shoals-Knoxville	3.6	Kathryn Jackson Craven Crowell
11/5/99	N507EB	Knoxville-Nashville-Huntsville- Nashville-Knoxville- Washington-Knoxville	5.5	Craven Crowell, Katie Rawls Richard Tallent, Gregory Signer Edward Christenbury
11/13/99	N507EB	Knoxville-Chattanooga- Memphis-Chattanooga- Knoxville	2.6	Peyton Hairston, John Turner John Long, Sarah Roach Joe Bynum, Alice Greene
11/15/99	N507EB	Knoxville-Chattanooga- Albertville, AL-Fort Worth, TX- Nashville-Chattanooga- Knoxville	6.1	Terry Boston, Clayton Clem Joan Dodd, Dale Bradshaw Van Wardlaw
11/19/99	N507EB	Knoxville-Tupelo-Knoxville	1.9	Steve Bender, Edward Christenbury David Smith, Craven Crowell Bob Kollar, 1 Official Guest Mark Medford
11/22/99	N507EB	Knoxville-Nashville-Knoxville	1.3	Craven Crowell
11/29/99	N507EB	Knoxville-Memphis-Knoxville	2.3	Craven Crowell
11/30/99	N507EB	Knoxville-Teterboro, NJ- Knoxville	4.2	David Smith, Craven Crowell John Hoskins, 2 Official Guests
12/3/99	N507EB	Knoxville-Teterboro, NJ- Knoxville	4.4	John Hoskins, Sissy Caldwell Craven Crowell, 2 Official Guests
12/9/99	N507EB	Knoxville-Muscle Shoals- Decatur, AL-Chattanooga- Knoxville	1.9	Bob Kollar, Craven Crowell John Scalice, Oswald J. Zeringue
12/13/99	N507EB	Knoxville-Chattanooga- Latrobe, PA-Chattanooga- Knoxville	4.2	Dan Oliver, Tom Moran Randy Meadows, 1 Official Guest Terrell Burkhart
12/15/99	N507EB	Knoxville-Chattanooga- Knoxville	0.8	Flight cancelled while in Chattanooga - No passengers
12/16/99	N507EB	Knoxville-Nashville- Greenville, TN-Nashville- Knoxville	3.0	Richard Tallent, Katie Rawls Mike Anderson, Chuck Shoopman Mark Medford
12/17/99	N507EB	Knoxville-Chattanooga- Sevierville-Chattanooga- Knoxville	1.7	Jerry Payton, Wayne Robertson Bill Bain, Rowena Belcher
12/17/99	N507EB	Knoxville-Nashville-Knoxville	1.2	Craven Crowell
12/21/99	N507EB	Knoxville-Chattanooga- Cadiz, KY-Chattanooga- Knoxville	2.5	Terry Boston

**TVA Executive Air Travel
King Air 350**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
12/28/99	N507EB	Knoxville-Nashville-Knoxville	1.3	Maintenance
1/5/00	N507EB	Knoxville-Washington-Knoxville	3.1	Craven Crowell
1/6/00	N507EB	Knoxville-Nashville-Columbus, MS-Nashville-Knoxville	3.0	Glenn McCullough Mark Medford Richard Tallent
1/10/00	N507EB	Knoxville-Washington-Muscle Shoals-Washington-Knoxville	8.0	Bob Harris, Scott Nielson 6 Official Guests
1/12/00	N507EB	Knoxville-Bowling Green-Knoxville	1.3	Jimmy Johnston Craven Crowell
1/13/00	N507EB	Knoxville-Memphis-Knoxville	2.5	Craven Crowell, Leanne Stribley 1 Official Guest
1/19/00	N507EB	Knoxville-Montgomery, AL-Nashville-Knoxville	2.6	Katie Rawls, Craven Crowell David Hooks, Diana Bullock
1/21/00	N507EB	Knoxville-Chattanooga-Nashville-Chattanooga-Knoxville	1.8	Craven Crowell Joe Bynum
1/26/00	N507EB	Knoxville-Muscle Shoals-Knoxville	1.5	Craven Crowell, Gregg Signer Edward Christenbury
2/4/00	N507EB	Knoxville-St. Louis-Knoxville	2.9	David Smith, John Hoskins Sissy Caldwell, Jaime Smith Eric Davis, Janet Davies
2/9/00	N507EB	Knoxville-Chattanooga-Knoxville-Washington-Knoxville	3.8	Joe Bynum, Edward Christenbury Glenn McCullough, Craven Crowell David Smith, Kathryn Jackson Dan Ferry, Greg Signer
2/11/00	N507EB	Knoxville-Washington-Knoxville-Tupelo-Knoxville	5.2	Glenn McCullough,* Steve Bender, Sandra Rea Jennifer Kilgore, Susie Hale
2/14/00	N507EB	Knoxville-Detroit-Knoxville	3.1	Craven Crowell
2/15/00	N507EB	Knoxville-Chattanooga-Corinth, MS-Chattanooga-Knoxville	2.1	Joe Bynum
2/17/00	N507EB	Knoxville-Gilbertsville-Knoxville	1.7	Skila Harris
2/22/00	N507EB	Knoxville-Chattanooga-Pulaski-Chattanooga-Knoxville	1.6	Joe Bynum Glenn McCullough Skila Harris
2/24/00	N507EB	Knoxville-Jackson, TN-Chattanooga-Knoxville	2.2	Mike Harris, Glenn McCullough 1 Official Guest
2/25/00	N507EB	Knoxville-Chattanooga-Washington-Knoxville	3.7	Mark Johnson, Scott Nielson 5 Official Guests
2/28/00	N507EB	Knoxville-Chattanooga-Covington, KY-Chattanooga-Knoxville	2.6	Greg Signer Barbara Martocci Joe Bynum
2/29/00	N507EB	Knoxville-Tupelo-Memphis-Nashville-Washington-Nashville-Memphis-Tupelo-Knoxville	8.2	Terry Kemp, Glenn McCullough Katie Rawls, 5 Official Guests Bill Taylor, Mark Medford
3/2/00	N507EB	Knoxville-New York-Knoxville	4.7	John Hoskins, Bob McCarthy Chris Mitchell, Mary Nell Pruitt David Smith, 1 Official Guest
3/7/00	N507EB	Knoxville-Frankfort-Knoxville-Nashville-Frankfort-Nashville-Knoxville	3.7	Skila Harris Glenn McCullough
3/9/00	N507EB	Knoxville-Buffalo-Knoxville	3.8	David Beckler, Norman Zgrossi John Long, Peyton Hairston

*Director McCullough's official duty station is Tupelo, Mississippi

**TVA Executive Air Travel
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<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
3/13/00	N507EB	Knoxville-Frankfort-Knoxville	1.3	Craven Crowell Skila Harris
3/13/00	N507EB	Knoxville-Memphis-Knoxville	2.4	Craven Crowell
3/20/00	N507EB	Knoxville-Knoxville	0.3	Maintenance
3/21/00	N507EB	Knoxville-Teterboro-Knoxville	4.8	Gail Cox, 2 Official Guests David Smith, Sissy Caldwell Craven Crowell
3/22/00	N507EB	Knoxville-Tupelo- Chattanooga-Teterboro- Knoxville	6.4	Jennifer Kilgore, Glenn McCullough Joe Bynum, Oswald J. Zeringue 3 Official Guests
3/25/00	N507EB	Knoxville-Teterboro-Knoxville- Chattanooga-Knoxville	6.5	Craven Crowell, Oswald J. Zeringue Joe Bynum, 4 Official Guests Glenn McCullough, Terry Boston
3/27/00	N507EB	Knoxville-Chattanooga- Nashville-Houston-Nashville- Chattanooga-Knoxville	6.5	Greg Vincent Randy Windschitl Jim Rossman Mark Medford
3/29/00	N507EB	Knoxville-Nashville- Chattanooga-Charlotte- Chattanooga-Birmingham- Columbus-Nashville- Knoxville	5.7	Mark Medford Terry Boston Greg Vincent
3/30/00	N507EB	Knoxville-St. Louis-Knoxville	2.9	David Smith, 1 official guest Craven Crowell
3/31/00	N507EB	Knoxville-Washington- Knoxville	3.0	Craven Crowell
4/2/00	N507EB	Knoxville-Chattanooga- Memphis-Knoxville	2.6	Oswald J. Zeringue
4/4/00	N507EB	Knoxville-Montgomery- Tupelo-Nashville-Knoxville	3.2	Glenn McCullough, Mike Harris Katie Rawls, Diana Bullock
4/5/00	N507EB	Knoxville-Chattanooga- Nashville-Lexington-Nashville- Chattanooga-Knoxville	3.1	Oswald J. Zeringue, Amy Burns Joe Bynum, Jimmy Johnston Robert Summers
4/11/00	N507EB	Knoxville-Washington- Knoxville	3.2	Craven Crowell
4/12/00	N507EB	Knoxville-Chattanooga- Washington-Knoxville	3.7	Glenn McCullough Craven Crowell
4/17/00	N507EB	Knoxville-Nashville-Tupelo- Jackson, MS-Washington- Knoxville	3.7	Jimmy Johnston Glenn McCullough
4/18/00	N507EB	Knoxville-Washington-Tupelo- Knoxville	5.0	Edward Christenbury, Glenn McCullough Greg Signer, Craven Crowell David Smith, Paul LaPointe Norman Zigrossi, Carol Hamill Dave Beckler, Jamie Keith Craven Crowell
4/20/00	N507EB	Knoxville-Nashville-Knoxville	1.4	Craven Crowell
5/1/00	N507EB	Knoxville-Tupelo-Nashville- Knoxville-Washington- Knoxville-Nashville-Tupelo- Knoxville	7.8	McCullough, Glenn L; Kilgore, Jennifer Kemp, Terry; Medford, Mark O. Tallent, Richard L; Rawls, Kathryn S. Stoker, Cindy; 1 Official Guest Anderson, Michael C; Harris, Skila S. Smith, David N. McCullough, Glenn L.
5/4/00	N507EB	Knoxville-Nashville-Tupelo- Knoxville	2.4	McCullough, Glenn L.
5/8/00	N507EB	Knoxville-Huntsville-Memphis- Tupelo-Andrews-Knoxville	2.9	McCullough, Glenn L; Kemp, Terry Kilgore, Jennifer; Bullock, Diana Taylor, William; Miller, Lee Grisham, Robert

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APPENDIX E
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<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
5/9/00	N507EB	Knoxville-Andrews-Huntsville-Tupelo-Memphis-Washington-Knoxville	5.7	McCullough, Glenn L; Kilgore, Jennifer Kemp, Terry; Bullock, Diana Taylor, William; 2 Official Guests
5/10/00	N507EB	Knoxville-Memphis-Knoxville-Washington-Memphis-Huntsville-Knoxville	7.8	Harris, Skila S; Zigrossi, Norman A. Bender, Steve N; Christenbury, Edward S. Long, John E; Conkin, W. Anthony McGinley, Kathy L; Durden, Sandy L. Smith, David N; McCullough, Glenn L
5/12/00	N507EB	Knoxville-Tupelo-Nashville-Tupelo-Knoxville	3.4	McCullough, Glenn L; Kemp, Terry Duke, William E; 5 Official Guests
5/14/00	N507EB	Knoxville-Nashville-Huntsville-Gulf Shores-Tupelo-Washington-Knoxville	7.1	McCullough, Glenn L; 2 Official Guests Anderson, Michael C; Bullock, Diana Stoker, Cynthia; Ireland, Myra H,
5/15/00	N507EB	Knoxville-Memphis-Gulf Shores-Tupelo-Knoxville-Gulf Shores-Knoxville	7.2	Crowell, Craven H; McCullough, Glenn L. Anderson, Michael C; Smith, David N. Ireland, Myra; Harris, Skila S.
5/16/00	N507EB	Memphis-Gulf Shores	1.0	Crowell, Craven H.
5/22/00	N507EB	Knoxville-Huntsville-Knoxville	1.3	McCullough, Glenn L. Harris, Skila S.
5/24/00	N507EB	Knoxville-Nashville-Knoxville	1.3	Harris, Skila S.
5/25/00	N507EB	Knoxville-Chattanooga-Washington-Paris-Chattanooga-Paris-Tupelo-Knoxville	7.4	Harris, Skila S; Zeringue, Oswald J. Vincent, Gregory M; Boston, W. Terry McCullough, Glenn L.
5/30/00	N507EB	Knoxville-Tupelo-Atlanta-Atlanta-Huntsville-Knoxville	3.4	McCullough, Glenn L. Harris, Skila S.
5/31/00	N507EB	Knoxville-Huntsville-Nashville-Huntsville-Chattanooga-Knoxville	2.3	Crowell, Craven H. McCullough, Glenn L.
6/1/00	N507EB	Knoxville-Chattanooga-Starkville-Chattanooga-Tupelo-Columbus-Chattanooga-Knoxville	4.4	McCullough, Glenn L; Zeringue, Oswald J. Vincent, Gregory M; 2 Official Guests
6/3/00	N507EB	Knoxville-Chattanooga-Muscle Shoals-Chattanooga-Muscle Shoals-Knoxville	2.7	Bynum, Joseph R. Payton, Jerry L. Elliott, Walter L. Colbert, Bob
6/5/00	N507EB	Knoxville-Tupelo-Trenton-Dyersburg-Knoxville	3.0	McCullough, Glenn L.
6/6/00	N507EB	Knoxville-Knoxville-Chattanooga-Charlotte-Knoxville-Tupelo-Knoxville	4.4	Harris, Skila S. McCullough, Glenn L.
6/8/00	N507EB	Knoxville-Gilbertsville-Chattanooga-Knoxville	2.2	Harris, Skila S.
6/12/00	N507EB	Knoxville-Orlando-Washington-Orlando-Knoxville	8.9	McCullough, Glenn L. McDowell, Mike
6/15/00	N507EB	Knoxville-Tupelo-Jackson-Washington-Jackson-Tupelo-Knoxville	7.5	McCullough, Glenn L; Long, Paul Kemp, Terry; 5 Official Guests
6/20/00	N507EB	Knoxville-Glasgow-Knoxville	1.0	Harris, Skila S.
6/21/00	N507EB	Knoxville-Memphis-Nashville-Knoxville	2.7	Crowell, Craven H; Zigrossi, Norman A. Smith, David N; Medford, Mark O. Hairston, Peyton T.
6/22/00	N507EB	Knoxville-Washington-Knoxville	3.3	Crowell, Craven H. Bender, Steve N.
6/26/00	N507EB	Knoxville-Chattanooga-Lewisburg-Chattanooga-Knoxville	1.5	Boston, W. Terry

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**APPENDIX E
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<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
6/29/00	N507EB	Knoxville-Jackson-Washington-Washington-Tupelo-Knoxville	7.8	McCullough, Glenn L.
7/5/00	N507EB	Knoxville-Washington-Scottsboro-Chattanooga-Washington-Knoxville	7.3	Nielson, Scott; 4 Official Guests
7/27/00	N507EB	Knoxville-Knoxville	0.6	Maintenance
7/28/00	N507EB	Knoxville-Tupelo-Knoxville	2.1	McCullough, Glenn L; 1 Official Guest
7/30/00	N507EB	Knoxville-Tupelo-Nashville-Tupelo-Oxford-Knoxville	3.8	McCullough, Glenn L; 1 Official Guest
8/3/00	N507EB	Knoxville-New York-Knoxville	4.8	Smith, David N; Hoskins, John Wilson, Tammy; Caldwell, Sissy
8/7/00	N507EB	Knoxville-Nashville-Knoxville	1.2	Maintenance
8/8/00	N507EB	Knoxville-New York-Knoxville	4.9	Smith, David N. Young, Lon
8/10/00	N507EB	Knoxville-Nashville-Dayton-Nashville-Columbus-Washington-Knoxville	8.0	Smith, David N. Windschitt, Randy
8/12/00	N507EB	Knoxville-Columbus-Washington-Knoxville	5.1	Owens, Mary Jane Nanney, Carmen; 4 Official Guests
8/14/00	N507EB	Knoxville-Starkville-Knoxville	2.3	McCullough, Glenn L.
8/15/00	N507EB	Knoxville-Nashville-Knoxville	1.3	Maintenance
8/21/00	N507EB	Knoxville-Tupelo-Nashville-Knoxville	2.3	McCullough, Glenn L. Harris, Skila S.
8/22/00	N507EB	Knoxville-Chattanooga-Knoxville	0.8	McGill, Sherry; Goble, Brenda Griffith, John; Kammer, Bert Keenan, John; Cable, Jan; 1 Official Guest
8/23/00	N507EB	Knoxville-Atlanta-Bristol-Tupelo-Knoxville	3.8	McCullough, Glenn L. Harris, Skila S.
8/25/00	N507EB	Knoxville-Murfreesboro-Tupelo-Jackson-Bristol-Knoxville	4.7	McCullough, Glenn L; 5 Official Guests Rawls, Kathryn S; Kemp, Terry
8/26/00	N507EB	Knoxville-Chattanooga-Knoxville-Bristol-Knoxville-Chattanooga-Knoxville	2.3	Crowell, Craven H; 3 Official Guests Thompson, Sandy; Bynum, Joseph R.
8/27/00	N507EB	Knoxville-Bristol-Nashville-Jackson-Tupelo-Knoxville	4.1	McCullough, Glenn L; 5 Official Guests Rawls, Kathryn S; Kemp, Terry
8/29/00	N507EB	Knoxville-Hopkinsville-Knoxville-Huntsville-Nashville-Knoxville	3.2	Zeringue, Oswald J. McCullough, Glenn L. 1 Official Guest
8/31/00	N507EB	Knoxville-Hopkinsville-Knoxville	1.5	Smith, David N. Tolbert, Rena
9/1/00	N507EB	Knoxville-Memphis-Chattanooga-Tupelo-Knoxville	3.9	McCullough, Glenn L.
9/4/00	N507EB	Knoxville-Tupelo-Knoxville	1.9	McCullough, Glenn L.
9/6/00	N507EB	Knoxville-Chattanooga-Greenville-Chattanooga-Knoxville-Tupelo-Knoxville	4.1	Bynum, Joseph R; Bajestani, Masoud Cooper, Marci; Watson, Fred Elliott, Walter; Summers, Robert Preslar, Jacky
9/7/00	N507EB	Knoxville-Washington-Knoxville-Huntsville-Memphis-Huntsville-Albertville-Tupelo-Nashville-Knoxville	7.4	Crowell, Craven H; Smith, David N. LaPointe, Paul R; Long, John E. McCullough, Glenn L.
9/10/00	N507EB	Knoxville-Tupelo-Gulfport-Tupelo-Knoxville	4.2	McCullough, Glenn L; Kemp, Terry Loden, Ebb; 1 Official Guest
9/12/00	N507EB	Knoxville-Chattanooga-Lexington-Chattanooga-Tupelo-Knoxville	3.7	Harris, Skila S. McCullough, Glenn L.

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<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
9/13/00	N507EB	Knoxville-Lexington-Knoxville	0.6	Harris, Skila S; Smith, David N. Tolbert, Rena; Carlon, Josh Smith, Jamie; Snyder, Randy A.
9/14/00	N507EB	Knoxville-Chattanooga- Muscle Shoals-Chattanooga- Knoxville	1.9	Zeringue, Oswald J. Jackson, Kathryn J. Trusley, Randy
9/18/00	N507EB	Knoxville-Tupelo-Knoxville	2.0	McCullough, Glenn L.
9/19/00	N507EB	Knoxville-Thomasville- Knoxville	2.3	1 Official Guest
9/20/00	N507EB	Knoxville-Chattanooga- Memphis-Chattanooga- Tupelo-Jackson-Tupelo- Knoxville	5.0	Bajestani, Masoud Cooper, Marci McCullough, Glenn L. 1 Official Guest
9/21/00	N507EB	Knoxville-Nashville-Knoxville- Memphis-Knoxville	3.6	Harris, Skila S. McCullough, Glenn L.
9/22/00	N507EB	Knoxville-Charlotte- Chattanooga-Knoxville	1.9	Bynum, Joseph R.
9/25/00	N507EB	Knoxville-Tupelo-Nashville- Tupelo-Chattanooga- Knoxville	3.7	McCullough, Glenn L. Lovin, Wayne; 1 Official Guest
9/27/00	N507EB	Knoxville-Tupelo-Knoxville	2.0	McCullough, Glenn L.; Lovin, Wayne
10/2/00	N507EB	Knoxville-Columbus-Tupelo- Nashville-Columbus- Nashville-Covington- Nashville-Knoxville	5.4	McCullough, Glenn L.; Kemp, Terry Long, Paul; 4 Official Guests
10/5/00	N507EB	Knoxville-Nashville-Tupelo- Knoxville	2.3	McCullough, Glenn L.
10/7/00	N507EB	Knoxville-Huntsville-Tupelo- Atlanta-Knoxville	2.7	Hooks, David McCullough, Glenn L.
10/10/00	N507EB	Knoxville-Atlanta-Knoxville	1.2	Crowell, Craven H.
10/11/00	N507EB	Knoxville-Chattanooga- Greenville-Paducah- Chattanooga-Knoxville	2.7	Bajestani, Masoud; Cooper, Marci Preslar, Jacky; Kendrick, Leon
10/12/00	N507EB	Knoxville-Jeffersonville- Knoxville	1.5	Crowell, Craven H.
10/14/00	N507EB	Knoxville-Atlanta-Tupelo- Huntsville-Knoxville	2.7	McCullough, Glenn L. Hooks, David
10/16/00	N507EB	Knoxville-Tupelo- Chattanooga-Knoxville	2.1	McCullough, Glenn L.
10/17/00	N507EB	Knoxville-Chattanooga- Memphis-Chattanooga- Memphis-Chattanooga- Knoxville-Memphis-Nashville- Tupelo-Memphis- Chattanooga-Knoxville	9.1	Bajestani, Masoud; Cooper, Marci Preslar, Jacky; Belcher, Rowena McCullough, Glenn L.
10/22/00	N507EB	Knoxville-Chattanooga- Tupelo-Washington- Winchester-Chattanooga- Winchester-Knoxville	6.4	McCullough, Glenn L. Scalice, John A.
10/24/00	N507EB	Knoxville-Nashville-Paducah- Nashville-Knoxville	2.3	Crowell, Craven H; McCullough, Glenn L. LaPointe, Paul R; Hairston, Peyton T. Bradley, Carolyn; Medford, Mark O. Chambers, Richard
10/26/00	N507EB	Knoxville-Nashville-Knoxville- Nashville-Tupelo-Knoxville	0.6	Crowell, Craven H. Moulton, John McCullough, Glenn L.
10/30/00	N507EB	Knoxville-Nashville-Tupelo- Bristol-Nashville-Tupelo- Knoxville	5.0	McCullough, Glenn L. Johnston, Jimmy P.

TVA Executive Air Travel
King Air 350

APPENDIX E
Page 7 of 7

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Passenger Name</u>
11/2/00	N507EB	Knoxville-Tupelo- Chattanooga-Nashville- Muscle Shoals-Tupelo- Knoxville	4.1	McCullough, Glenn L.
11/6/00	N507EB	Knoxville-Tupelo-Knoxville	2.0	McCullough, Glenn L.
11/7/00	N507EB	Knoxville-Tupelo-Louisville- Chattanooga-Knoxville	3.0	McCullough, Glenn L; Vincent, Gregory M. Kemp, Terry
11/9/00	N507EB	Knoxville-Tupelo-Huntsville- Tupelo-Montgomery-Tupelo- Knoxville	4.8	McCullough, Glenn L. 1 Official Guest LaPointe, Paul R.
11/13/00	N507EB	Knoxville-Tupelo-Knoxville- Tupelo-Knoxville	4.5	McCullough, Glenn L. 1 Official Guest
11/14/00	N507EB	Knoxville-Starkville-Knoxville	2.3	Crowell, Craven H; Harris, Skila S. Bradley, Carolyn; Smith, David N. Dunn, Maureen
11/15/00	N507EB	Knoxville-Chattanooga- Louisville-Starkville-Knoxville- Louisville-Memphis-Nashville- Chattanooga-Knoxville	6.1	Zeringue, Oswald J; Vincent, Gregory M. McCullough, Glenn L; Kemp, Terry Tallent, Richard L; Whitehead, James T. Johnston, Jimmy P; Crowell, Craven H. Harris, Skila S; Smith, David N. Bradley, Carolyn; Dunn, Maureen LaPointe, Paul P
11/20/00	N507EB	Knoxville-Tupelo-Knoxville- Louisville-Nashville-Knoxville	4.2	McCullough, Glenn L. 1 Official Guest Harris, Skila S.
11/21/00	N507EB	Knoxville-Chattanooga- Tupelo-Knoxville	2.4	McCullough, Glenn L. 1 Official Guest
11/27/00	N507EB	Knoxville-Nashville-Bowling Green-Nashville-Bristol- Nashville-Knoxville	3.5	Medford, Mark O; Tallent, Richard L. Kemp, Terry; Stoker, Cindy Callaham, Myron; Anderson, Michael C. Owens, Ronald
11/28/00	N507EB	Knoxville-Tupelo-Knoxville	2.1	McCullough, Glenn L.
11/29/00	N507EB	Knoxville-Trenton-Knoxville- Tupelo-Knoxville	4.0	Harris, Skila S; Ray, Anda McCullough, Glenn L.
11/30/00	N507EB	Knoxville-Chattanooga- Teterboro-Chattanooga- Nashville-Knoxville	6.6	Vincent, Gregory M; Ray, Anda Ray, Mick; Maintenance (Nash-Knox leg)
12/2/00	N507EB	Knoxville-Teterboro-Knoxville	4.2	Crowell, Craven H; 1 Official Guest Hoskins, John
12/4/00	N507EB	Knoxville-Tupelo-Knoxville	2.1	McCullough, Glenn L; Chambers, Richard
12/5/00	N507EB	Knoxville-Knoxville-Memphis- Knoxville	2.6	McCullough, Glenn L.
12/6/00	N507EB	Knoxville-West Palm Beach- Knoxville-Washington- Chattanooga-Knoxville	8.4	Crowell, Craven H. LaPointe, Paul R. Scalice, John A.
12/7/00	N507EB	Knoxville-Muscle Shoals- Knoxville-Chattanooga- Jackson-Muscle Shoals- Knoxville	3.8	Jackson, Kathryn J. Ellis, Bridgette Harris, Skila S
12/8/00	N507EB	Knoxville-Muscle Shoals- Knoxville	1.6	Jackson, Kathryn J.
12/11/00	N507EB	Knoxville-Tupelo-Knoxville- Nashville-Muscle Shoals- Tupelo-Muscle Shoals- Tupelo-Grenada-Tupelo- Nashville	5.6	McCullough, Glenn L. Kilgore, Jennifer Windschitl, Randy Kilgore, Barbara 1 Official Guest
12/21/00	N507EB	Nashville-Knoxville	0.6	Maintenance

**TVA Executive Air Travel
Charter Flights**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Cost</u>	<u>Passenger Name</u>
10/5/99	N5XP	Chattanooga-Nashville- Houston-Nashville- Chattanooga	4.1	7,140.00	R. Larry Taylor, Beth Creel Gary Jackson, Tom McGrath James Kieffer
10/26/99	N126GA	Chattanooga-Tupelo- Atlanta-Chattanooga	1.9	4,160.88	Terry Boston David Hall
11/19/99	N5XP	Chattanooga-Knoxville- Tupelo-Knoxville- Chattanooga	2.2	3,795.02	Terry Boston, Steve Ayers Peyton Hairston, Kathryn Jackson Bob Kollar
11/19/99	N657BA	Nashville-Chattanooga- Tupelo-Chattanooga- Nashville	2.5	3,254.80	Mark Medford, Richard Tallent Randy Windschitl, Katie Rawls Joe Bynum, John Scalice Peyton Hairston
11/19/99	N126GA	Washington-Tupelo- Washington	3.5	10,435.20	Scott Nielson, 4 Official Guests David Withrow
1/13/00	N441WT	Huntsville-Columbus, GA- Huntsville	1.7	1,653.88	Jim Johnson, 6 Official Guests
1/13/00	N617BG	Knoxville-New York-Boston- Knoxville	4.0	9,630.39	David Smith, John Hoskins Randy Snyder, Sissy Caldwell Janet Davies, Nina Mauldin Veenita Bisaria, 1 Official Guest John Rymer, Allen Stokes
1/13/00	N74RR	Nashville-Chattanooga- Memphis-Chattanooga- Nashville	4.0	3,362.72	Mark Medford, Richard Tallent Jimmy Johnston, Katie Rawls Oswald J. Zeringue, Terry Boston
1/19/00	N126GA	Chattanooga-Indianapolis- Chattanooga	2.0	4,112.70	Terry Boston, Steve Whitley James Regg, John Kirby Clifton Johnson
1/26/00	N657BA	Knoxville-Muscle Shoals- Knoxville	2.0	3,818.76	Mike Anderson, Mike Browder Bill Carroll, David Smith Randy Snyder, Ed Small Steve Bender, Dave Gentry Sandy Durden, Kathy McGinley Cletus Mitchell
1/27/00	N643JX	Knoxville-Chattanooga- Muscle Shoals- Chattanooga	2.3	3,045.88	Kate Jackson, Barbara Martocci Joe Bynum, Walt Elliott Randy Johnson, Connie Johnson Ike Zeringue, Andre Oates
1/27/00	N617BG	Nashville-Chattanooga- Washington-Chattanooga- Nashville	4.3	6,309.20	Mark Medford, Jim Rossman John Scalice, Tom McGrath Greg Vincent
2/9/00	N32PE	Knoxville-Washington- Chattanooga	3.0	5,896.16	David Smith, Kate Jackson Dan Ferry, Ike Zeringue Joe Bynum
2/24/00	N643JX	Chattanooga-Knoxville- Washington-Knoxville- Chattanooga	5.2	5,994.00	Oswald Zeringue, Walt Elliott Randy Johnson, Connie Johnson Gary McDonald, Brenda Glasgow
2/24/00	N32PE	Knoxville-Atlanta-Knoxville	1.0	3,412.40	Craven Crowell
3/1/00	N32PE	Chattanooga-Knoxville- Washington-Knoxville- Chattanooga	3.2	6,431.02	Oswald Zeringue David Smith
3/13/00	N788SW	Nashville-Jackson, MS- Frankfort, KY-Knoxville- Nashville	5.9	4,114.32	Katie Rawls Jimmy Johnston Glenn McCullough

**TVA Executive Air Travel
Charter Flights**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Cost</u>	<u>Passenger Name</u>
3/14/00	N788SW	Nashville-Louisville, MS- Nashville	2.6	2,179.00	Mark Medford
3/15/00	N35AZ	Chattanooga-Washington- Chattanooga	2.6	6,142.80	Oswald Zeringue, Joe Bynum John Hutton, John Shipp Jerry Golden, Rick Collins
3/15/00	N657BA	Gallatin-Chattanooga- Johnstown, PA- Chattanooga-Gallatin	5.8	6,097.36	David Stewart, David Hale Danny Houston, Ronnie Vineyard Tommy Andrews, James W. Price Paul Courtney, Randy Johnson Denton Eady, Steve Blackburn Rick Carson, Jim Edgar
3/15/00	N74RR	Knoxville-Paducah- Russellville, KY-Knoxville- Tupelo	4.3	5,492.99	Glenn McCullough*
3/15/00	N617BG	Knoxville-Washington- Knoxville	2.6	5,460.32	Kate Jackson, LeAnne Stribley Greg Signer, Chris Mitchell
3/21/00	N32PE	Tupelo-Orlando-Tupelo	3.3	6,786.17	Glenn McCullough, 3 Official Guests Bill Long, Chuck Howell Ronny Rowland, Dawn Best
3/25/00	N32PE	Teterboro, NJ-Knoxville	1.8	5,844.19	Glenn McCullough, 2 Official Guests Kate Jackson, Terry Boston
4/3/00	N617BG	Memphis-Knoxville	1.1	3,204.95	Ike Zeringue
4/18/00	N32PE	Chattanooga-Washington- Knoxville-Tupelo	3.2	7,392.85	Joe Bynum, Skila Harris Norm Zigrossi, David Smith Dave Beckler, Toby Fanning Carol Hamill, Jamie Keith
4/18/00	N643JX	Nashville-Chattanooga- Tupelo-Chattanooga- Nashville	3.2	3,970.38	Mark Medford, Greg Vincent Joe Bynum, Jimmy Johnston Toby Fanning, Dick Tallent
4/20/00	N643JX	Knoxville-Muscle Shoals- Knoxville	2.0	3,745.54	David Smith, Debbie Webster Rena Tolbert, Josh Carlon
4/20/00	N788SW	Nashville-Meridian, MS- Nashville	3.0	2,363.62	Mark Medford Dick Tallent
4/24/00	N643JX	Nashville-Chattanooga- Starkville-Knoxville- Huntsville	4.3	5,219.18	Glenn McCullough, Mark Medford Dick Tallent, Ike Zeringue Greg Vincent
4/26/00	N126GA	Washington-Chattanooga- Washington	3.0	9,663.45	7 Official Guests
5/10/00	N657BA	Nashville-Chattanooga- Memphis-Chattanooga- Memphis-Chattanooga- Nashville	7.8	7,086.78	Zeringue, Oswald; Vincent, Gregory Medford, Mark; Boston, Terry Tallent, Richard; Bynum, Joseph Shoopman, Chuck
5/12/00	N43SE	Chattanooga-Nashville- Chattanooga	1.0	1,620.00	Zeringue, Oswald; Bynum, Joseph Medford, Mark; Vincent, Gregory
5/12/00	N788SW	Memphis-Chattanooga	1.3	2,135.77	Boston, W. Terry
5/16/00	N788SW	Chattanooga-Greenville- Chattanooga	2.2	2,584.08	Bynum, Joseph; Payton, Jerry Cooper, Marci
5/16/00	N126GA	Washington-Gulf Shores	2.2	7,628.37	McCullough, Glenn; Harris, Skila Smith, David
5/17/00	N281JH	Chattanooga-Louisville- Memphis	1.9	3,371.58	Bynum, Joseph

*Director McCullough's official duty station is Tupelo, Mississippi

**TVA Executive Air Travel
Charter Flights**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Cost</u>	<u>Passenger Name</u>
6/7/00	N43SE	Chattanooga-Jackson- Chattanooga	1.7	2,340.00	Hall, David; Brimer, Ronnie Widner, Darrell; Denney, Roy Hayes, Steve; Mills, Bobby
6/29/00	N281JH	Chattanooga-Greenville- Paducah-Chattanooga	2.8	3,738.66	Bynum, Joseph; Payton, Jerry Cooper, Marci; Hamm, William Watson, Fred
6/30/00	N643JX	Chattanooga-Memphis- Chattanooga	2.6	4,064.04	Bynum, Joseph; Cooper, Marci Zeringue, Oswald; Payton, Jerry Hamm, William; Watson, Fred May, Jeanine; Gazaway, Connie
6/30/00	N788SW	Nashville-Memphis- Nashville	2.6	2,428.02	Medford, Mark O. Keiffer, James D.
7/14/00	N281JH	Tupelo-Nashville-Tupelo	2.0	3,598.90	McCullough, Glenn L.
7/16/00	N32PE	Nashville-Huntsville-Tupelo- Gulf Shores-Huntsville- Knoxville-Nashville	4.3	8,241.30	Tallent, Richard; Johnston, Jimmy Rawls, Kathryn; Bullock, Diana McCullough, Glenn; 1 Official Guest
7/18/00	N281JH	Knoxville-Oxford-Knoxville	3.0	4,315.54	McCullough, Glenn; Smith, David Tolbert, Rena; Nunley, Doug 2 Official Guests
7/19/00	N855JS	Knoxville-Decatur-Nashville	1.8	4,045.34	Crowell, Craven H.
7/19/00	N788SW	Knoxville-Russellville- Washington	3.5	5,148.32	McCullough, Glenn L. Harris, Skila S.
7/21/00	N855JS	Glasgow-Knoxville	0.8	2,445.82	Harris, Skila S.
7/25/00	N32PE	Knoxville-Washington- Knoxville	3.1	6,359.42	McCullough, Glenn; 1 Official Guest Withrow, David
8/7/00	N32PE	Nashville-Louisville- Washington	3.7	8,303.70	Boston, W. Terry
8/10/00	N617BG	Washington-Columbus	2.9	7,100.77	Nielson, Scott; Nanney, Carmen 5 Official Guests
8/15/00	N788SW	Knoxville-Chattanooga- Nashville	0.8	2,458.78	McCullough, Glenn L.
8/25/00	N281JH	Chattanooga-Paducah	2.0	3,721.20	Bynum, Joseph; Bajestani, Masoud Elliott, Walt; Cooper, Marci Payton, Jerry
8/29/00	N617BG	Huntsville-Tupelo	0.9	3,369.56	McCullough, Glenn; 1 Official Guest
8/30/00	N32PE	Knoxville-Washington	1.2	5,963.99	Crowell, Craven H.
8/30/00	N617BG	Tupelo-Jackson-Fairhope- Tupelo	2.4	5,541.87	McCullough, Glenn; Hale, Susie Robinson, John; Kemp, Terry
8/31/00	N32PE	Smyrna-Knoxville- Washington-Knoxville- Smyrna	3.7	6,660.44	Zigrossi, Norman A. Crowell, Craven H.
9/11/00	N32PE	Knoxville-Montgomery- Knoxville	1.7	4,719.68	Crowell, Craven H. Johnston, Jimmy P.
9/12/00	N160H	Chattanooga-Springfield- Chattanooga	3.0	7,320.37	Boston, Terry; Vincent, Gregory Wardlaw, Van; Nieri, Barbara Morris, Susan
9/14/00	N788SW	Chattanooga-Starkville- Chattanooga	1.8	3,259.97	Bynum, Joseph R.
9/20/00	N788SW	Nashville-Chattanooga- Nashville-Chattanooga- Charlotte-Smyrna	5.6	4,081.40	Bynum, Joseph; Elliott, Walter Summers, Robert
9/25/00	N800BT	Atlanta-Washington- Chattanooga-Cincinnati- Atlanta	5.1	20,263.00	Hall, David 10 Official Guests

**TVA Executive Air Travel
Charter Flights**

<u>Date</u>	<u>Aircraft</u>	<u>Routing</u>	<u>Flight Hours</u>	<u>Cost</u>	<u>Passenger Name</u>
9/26/00	N32PE	Smyrna-Knoxville-Little Rock-Chattanooga-Nashville-Knoxville-Smyrna	4.6	7,731.48	Thompson, Sandy 2 Official Guests
10/2/00	N35AZ	Smyrna-Nashville-Washington-Covington-Nashville-Smyrna	3.8	9,618.30	McCullough, Glenn; Harris, Skila Withrow, David; Herrin, Janet
10/5/00	N617BG	Smyrna-Chattanooga-Nashville-Cincinnati-Chattanooga-Knoxville-Smyrna	3.3	7,331.82	Boston, Terry; Zeringue, Oswald Wardlaw, Van; Nieri, Barbara Morris, Susan; McCay, John
10/30/00	N788SW	Nashville-Nashville-Memphis-Nashville-Nashville	2.2	2,676.08	Medford, Mark O.
10/30/00	N35AZ	Smyrna-Knoxville-Washington-Knoxville-Smyrna	3.1	6,238.24	Jackson, Kathryn J.
11/8/00	N160H	Smyrna-Nashville-Fort Worth-Knoxville-Smyrna	4.7	9,036.16	Crowell, Craven H.
11/14/00	N68FA	Smyrna-Nashville-Chattanooga-Starkville-Nashville-Smyrna	2.8	4,530.50	Medford, Mark O. Johnston, Jimmy P. Tallent, Richard L.
11/28/00	N32PE	Smyrna-Knoxville-Teterboro-Smyrna	3.7	7,252.20	Crowell, Craven; Davies Janet Smith, David; Hoskins, John 1 Official Guest
12/7/00	N35AZ	Smyrna-Knoxville-Washington-Knoxville-Smyrna	3.5	7,746.16	Crowell, Craven H.
12/12/00	N788SW	Nashville-Chattanooga-Clarksville-Chattanooga-Nashville-Knoxville-Nashville	4.2	3,722.46	Bynum, Joseph; Scalice, John Taylor, William; Vincent, Gregory Smith, David N.
12/13/00	N160H	Smyrna-Chattanooga-Tupelo-Washington-Tupelo-Smyrna	5.5	11,037.90	McCullough, Glenn L. Kemp, Terry Ray, Mick
12/17/00	N126GA	Smyrna-Tupelo-Knoxville-Washington-Knoxville-Huntsville-Knoxville-Tupelo-Smyrna	6.6	13,663.04	Crowell, Craven H. McCullough, Glenn L. Medford, Mark O.
12/20/00	N657BA	Smyrna-Chattanooga-Memphis-Chattanooga-Smyrna	3.4	4,109.32	Bynum, Joseph; Bajestani, Masoud Elliott, Walter; Johnson, Don

March 21, 2001

Richard F. Chambers, ET 4C-K

**CUSTOMER SERVICE AND MARKETING COMMENTS ON DRAFT
CONGRESSIONAL ADVISORY REPORT - PROJECT 2001-914C**

We have reviewed the subject draft report to Congressman Wamp and offer the following comments, by report section.

Executive Summary

Special Events (page ii) – I suggest adding a third bullet to point out that the annual *energy right*® Awards Celebration was discontinued after 2000.

Relocation of Personnel and Programs to Nashville (page ii and page 13) – The number 28 in the first sentence of this section (page ii) should be 27. This will make it consistent with the second paragraph on page 13. The number 114 in the second paragraph on page 13 should be 119. This will make it consistent with page ii.

TVA Advertising (page 5) – I recommend modifying the wording of the second bullet to say “. . . *energy right*® program wherein TVA and its distributors work together in a cooperative effort to provide incentives . . .” This more appropriately reinforces the point that this is a program that belongs to both TVA and the distributors.

Figure 5 (page 8) – Since two of the three *energy right*® Awards Celebrations are the most costly events on this list, it would be beneficial to add a footnote that reinforces the fact that we have discontinued this activity.

Barge Events (page 8) – In the second line, the Riverbend event is mistakenly called Riverfest.

I appreciate the opportunity to comment and hope that our input will help clarify and enhance the final product. Should you have questions about our comments, please feel free to contact Jim Bean at (615) 232-6015.



Mark O. Medford
Executive Vice President
Customer Service and Marketing
HRT 12D-NST

March 30, 2001

Richard F. Chambers, ET 4C-K

DRAFT CONGRESSIONAL ADVISORY REPORT – UPDATE ON
SELECTED MANAGEMENT PRACTICES – PROJECT 2001-914C

I have a problem with including the two major finance functions, the Financial Analysts Conference and the Investment Challenge Program as *special events*. They do not fit neatly into any of the seven categories defined as special events on page 6 of the report and the identified purposes of TVA special events does not match the purposes of such programs.

To elaborate:

The Financial Analyst Conference

This function is most directly comparable to what a private company might host as their Annual Shareholder Meeting. Obviously, since TVA does not have shareholders, that name would be a misnomer, but we do have thousands of investors who, collectively, hold \$25 billion of TVA debt securities.

This meeting is held for the purpose of communicating with these investors (and their representatives) the current financial and operating condition of TVA. The attendees at this function include major institutional investors, financial analysts who prepare research reports for such investors, the three major rating agencies and a representative from OMB who, arguably, attends as our equity holder representative.

The Investment Challenge Program

This function serves several purposes, but two of the most important are (1) to provide a forum for reviewing past performance of this investment manager group, and (2) to provide an opportunity for identifying and recruiting candidates for employment in TVA's financial organization.

The first purpose is similar to what is done with every investment manager entrusted with TVA investment funds. With other managers, though, such meetings are quarterly or semi-annual and are usually done during one-on-one sessions. In the case of the Investment Challenge program, though, since there are nineteen individual schools/managers involved, the effort is more cost effectively done in a group forum.

Richard F. Chambers
Page 2
March 30, 2001

The second major purpose is designed to afford exposure to the half-dozen most talented finance students at nineteen schools throughout the TVA service territory. Leading candidates are recruited for full-time positions at TVA following their graduation. Since the Investment Challenge Program began, it has provided more than fifty percent of all new hires into the CFO organization.

Conclusion

It is my preference that these two functions be excluded from the categorization of *special events*. They are business meetings, they are performance meetings, they are education and recruiting programs... but they are not *special events*.

Absent excluding these functions, the language that "...TVA uses special events ... as an effective means ... to enhance communications with customer and economic development partners" should be changed to reflect the true nature of these programs.



David N. Smith
Chief Financial Officer
ET 12A-K

DNS:DSW

cc: Maureen H. Dunn, ET 11A-K
John E. Long, Jr., ET 12A-K
Mark O. Medford, HRT 12D-NST
D. LeAnne Stribley, ET 12A-K
Richard L. Tallent, ET 12A-K
Oswald J. Zeringue, ET 12A-K

Chambers response.doc

March 30, 2001

Richard Chambers, ET 4C-K

**REQUEST FOR COMMENTS - DRAFT CONGRESSIONAL ADVISORY REPORT ON
SELECTED MANAGEMENT PRACTICES, PROJECT 2001-914C**

We have reviewed the subject draft report to Congressman Wamp and offer the following comments, by report section.

EXECUTIVE SUMMARY

Executive Air Transportation (page ii). The comment "While usage has not increased significantly, total annual costs for charter and King Air flights has risen by 61 percent" is misleading. An increase in 1998 King Air expense to \$955 from \$666 in 1997 was approximately 43% and resulted primarily from the break-out and transfer of rotary-wing operations from executive travel, a re-allocation of fixed costs, and the hiring of an additional pilot. With that adjustment, the increase from FY 1998 through FY 2000 would be about 4 % which represents primarily fuel and salary increases.

Additionally, for charter flights, while number of flight hours has not increased, the number of flights was approximately the same for 1997 and 2000. The re-computed per-flight cost based on number of trips increased 14%, which is a reasonable amount considering inflation for three years and the increase in fuel prices.

Consulting Contracts (page 4). We request that the first paragraph at the top of Page 4 be modified to read as follows:

"We judgmentally selected and reviewed 86 of 167 consulting contracts of \$25,000 or more that were active during FY 2000. The majority of these contracts were competed. Our review identified only 14 contracts that did not comply with the specific documentation requirements outlined in TVA's Procurement Policies. Although competition was addressed and documented by TVA management on most of these contracts, the specific procedures and approvals were not accurately documented in each case."

TVA Advertising (page 6). The last sentence of this section should be changed to read:

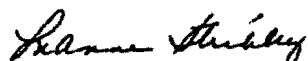
"TVA subsequently selected five companies for further consideration and ultimately chose and awarded Fitzgerald a new contract effective October 1, 1999. This contract will expire on October 31, 2001 and has the option to further extend until September 30, 2003."

Executive Air Transportation (page 9). TVA is no longer including consideration of a Cessna Citation Ultra jet in our analyses of alternatives. We are, however, still

considering replacing the current King Air with a newer one, due to the need to perform an engine over-hall in the very near future and the ability to make such a replacement without a material increase in TVA's lease payments.

Executive Air Transportation (page 12-chart). For FY1998, the King Air 350 cost should be \$955. The reduction in FY 1999 air travel should include a footnote that, for over half of FY 1999, TVA had one director in place, significantly reducing the level of executive travel during that period.

We appreciate the opportunity to comment on the report and hope that this input will clarify and enhance the report.



LeAnne Stribley
Executive Vice President,
Administration
ET 12A-K

DLS:gdb
cc; Dick Tallent, ET 12A-K
Cleo Norman, ET 5D-K