

Edgar Filing: Tennessee Valley Authority - Form 10-Q

Tennessee Valley Authority
Form 10-Q
February 03, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

QUARTERLY REPORT PURSUANT TO SECTION 13, 15(d), OR 37 OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 000-52313

TENNESSEE VALLEY AUTHORITY

(Exact name of registrant as specified in its charter)

A corporate agency of the United States created by an act of Congress
(State or other jurisdiction of incorporation or organization)

62-0474417

(IRS Employer Identification No.)

400 W. Summit Hill Drive

Knoxville, Tennessee

(Address of principal executive offices)

(865) 632-2101

(Registrant's telephone number, including area code)

37902

(Zip Code)

None

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13, 15(d), or 37 of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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GLOSSARY OF COMMON ACRONYMS

Following are definitions of terms or acronyms frequently used in this Quarterly Report on Form 10-Q for the three months ended December 31, 2011 (the “Quarterly Report”):

Term or Acronym	Definition
AFUDC	Allowance for funds used during construction
ARO	Asset retirement obligation
ART	Asset Retirement Trust
ASLB	Atomic Safety and Licensing Board
BEST	Bellefonte Efficiency and Sustainability Team
BREDL	Blue Ridge Environmental Defense League
CAA	Clean Air Act
CAIR	Clean Air Interstate Rule
CCOLA	Combined construction and operating license application
CCR	Coal combustion residual
CME	Chicago Mercantile Exchange
CMP	Conference of the Parties serving as the Meeting of Parties
CO ₂	Carbon dioxide
COLA	Cost of living adjustment
COP	Conference of the Parties to the UN Framework Convention on Climate Change
CSAPR	Cross State Air Pollution Rule
CTs	Combustion turbine unit(s)
CVA	Credit valuation adjustment
CY	Calendar year
EPA	Environmental Protection Agency
FASB	Financial Accounting Standards Board
FTP	Financial Trading Program
GAAP	Accounting principles generally accepted in the United States of America
GAO	U.S. Government Accountability Office
GHG	Greenhouse gas
JSCCG	John Sevier Combined Cycle Generation LLC
kWh	Kilowatt hour(s)
MD&A	Management’s Discussion and Analysis of Financial Condition and Results of Operations
mmBtu	Million British thermal unit(s)
MtM	Mark-to-market
MW	Megawatt
NAV	Net asset values
NDT	Nuclear Decommissioning Trust
NEPA	National Environmental Policy Act
NO _x	Nitrogen oxides
NPDES	National Pollutant Discharge Elimination System
NRC	Nuclear Regulatory Commission
NSPS	New Source Performance Standards
OCI	Other Comprehensive Income (Loss)
PM	Particulate matter
PSD	Prevention of Significant Deterioration
QTE	Qualified technological equipment and software
REIT	Real estate investment trust

SACE
SEC

Southern Alliance for Clean Energy
Securities and Exchange Commission

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SERP	Supplemental Executive Retirement Plan
Seven States	Seven States Power Corporation
SO ₂	Sulfur dioxide
SSSL	Seven States Southaven, LLC
TCWN	Tennessee Clean Water Network
TDEC	Tennessee Department of Environment & Conservation
TOU	Time-of-use
TVARS	Tennessee Valley Authority Retirement System
TWQCB	Tennessee Water Quality Control Board
XBRL	eXtensible Business Reporting Language

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FORWARD-LOOKING INFORMATION

This Quarterly Report contains forward-looking statements relating to future events and future performance. All statements other than those that are purely historical may be forward-looking statements. In certain cases, forward-looking statements can be identified by the use of words such as “may,” “will,” “should,” “expect,” “anticipate,” “believe,” “intend,” “project,” “plan,” “predict,” “assume,” “forecast,” “estimate,” “objective,” “possible,” “probably,” “likely,” “potential,” and similar expressions.

Although the Tennessee Valley Authority (“TVA”) believes that the assumptions underlying the forward-looking statements are reasonable, TVA does not guarantee the accuracy of these statements. Numerous factors could cause actual results to differ materially from those in the forward-looking statements. These factors include, among other things:

- New or changed laws, regulations, and administrative orders, including those related to environmental matters, and the costs of complying with these new or changed laws, regulations, and administrative orders, as well as complying with existing laws, regulations, and administrative orders;
- The requirement or decision to make additional contributions to TVA's pension or other post-retirement benefit plans or to TVA's Nuclear Decommissioning Trust (“NDT”);
- Events at a TVA nuclear facility, which, among other things, could result in loss of life, damage to the environment, damage to or loss of the facility, and damage to the property of others;
- Events at a nuclear facility, whether or not operated by or licensed to TVA, which, among other things, could lead to increased regulation or restriction on the construction, operation, and decommissioning of nuclear facilities or on the storage of spent fuel, obligate TVA to pay retrospective insurance premiums, reduce the availability and affordability of insurance, increase the costs of operating TVA's existing nuclear units, negatively affect the cost and schedule for completing Watts Bar Nuclear Plant (“Watts Bar”) Unit 2 and Bellefonte Nuclear Plant (“Bellefonte”) Unit 1, or cause TVA to forego future construction at these or other facilities;
- Significant delays, cost increases, or cost overruns associated with the construction of generation or transmission assets;
- Fines, penalties, natural resource damages, and settlements associated with the Kingston Fossil Plant (“Kingston”) ash spill;
- The outcome of legal and administrative proceedings;
- Significant changes in demand for electricity;
- Addition or loss of customers;
- The continued operation, performance, or failure of TVA's generation, transmission, and related assets, including coal combustion residual (“CCR”) facilities;
- Modernizing aging coal-fired generating units and installing emission control equipment to meet existing and anticipated emissions reduction requirements which could render continued operation of many of these units not cost-effective and result in their removal from service, perhaps permanently;
- Disruption of fuel supplies, which may result from, among other things, weather conditions, production or transportation difficulties, labor challenges, or environmental laws or regulations affecting TVA's fuel suppliers or transporters;
- Purchased power price volatility and disruption of purchased power supplies;
- Events involving transmission lines, dams, and other facilities not operated by TVA, including those that affect the reliability of the interstate transmission grid of which TVA's transmission system is a part, as well as inadequacies in the supply of water to TVA's generation facilities;
- Inability to obtain regulatory approval for the construction or operation of assets;
- Weather conditions;
- Catastrophic events such as fires, earthquakes, solar events, floods, hurricanes, tornadoes, pandemics, wars, national emergencies, terrorist activities, and other similar events, especially if these events occur in or near TVA's service

area;

Restrictions on TVA's ability to use or manage real property currently under its control;

Reliability and creditworthiness of counterparties;

Changes in the market price of commodities such as coal, uranium, natural gas, fuel oil, crude oil, construction materials, reagents, electricity, and emission allowances;

Changes in the market price of equity securities, debt securities, and other investments;

Changes in interest rates, currency exchange rates, and inflation rates;

- Rising pension and health care costs;

Increases in TVA's financial liability for decommissioning its nuclear facilities and retiring other assets;

Limitations on TVA's ability to borrow money which may result from, among other things, TVA's approaching or reaching its debt ceiling and changes in TVA's borrowing authority;

An increase in TVA's cost of capital which may result from, among other things, changes in the market for TVA's debt securities, changes in the credit rating of TVA or the U.S. government, and an increased reliance by TVA on alternative financing arrangements as TVA approaches its debt ceiling;

Changes in the economy and volatility in financial markets;

Inability to eliminate identified deficiencies in TVA's systems, standards, controls, and corporate culture;

Ineffectiveness of TVA's disclosure controls and procedures and its internal control over financial reporting;

Problems attracting and retaining a qualified workforce;

Changes in technology;

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• Failure of TVA's information technology assets to operate as planned and the failure of TVA's cyber security program to protect TVA's information technology assets from cyber attacks;
• Differences between estimates of revenues and expenses and actual revenues earned and expenses incurred; and
• Unforeseeable events.

See also Item 1A, Risk Factors, and Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in TVA's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 (the "Annual Report") and Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations in this Quarterly Report. New factors emerge from time to time, and it is not possible for management to predict all such factors or to assess the extent to which any factor or combination of factors may impact TVA's business or cause results to differ materially from those contained in any forward-looking statement. TVA undertakes no obligation to update any forward-looking statement to reflect developments that occur after the statement is made.

GENERAL INFORMATION

Fiscal Year

References to years (2012, 2011, etc.) in this Quarterly Report are to TVA's fiscal years ending September 30. Years that are preceded by "CY" are references to calendar years.

Notes

References to "Notes" are to the Notes to Financial Statements contained in Part I, Item 1, Financial Statements in this Quarterly Report.

Available Information

TVA's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports are available on TVA's web site, free of charge, as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission ("SEC"). TVA's web site is www.tva.gov. Information contained on TVA's web site shall not be deemed to be incorporated into, or to be a part of, this Quarterly Report. TVA's SEC reports are also available to the public without charge from the web site maintained by the SEC at www.sec.gov. In addition, the public may read and copy any reports or other information that TVA files with or furnishes to the SEC at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. The public may obtain information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TENNESSEE VALLEY AUTHORITY
STATEMENTS OF OPERATIONS (Unaudited)
(in millions)

	Three Months Ended December 31	
	2011	2010
	SEC USE ONLY	
	CITIZENSHIP OR PLACE OF ORGANIZATION	
Operating revenues		
4		
	London, United Kingdom	
	5	SOLE VOTING POWER
NUMBER OF		
SHARES	6	1,000 SHARED VOTING POWER
BENEFICIALLY		
OWNED BY		
EACH	7	-0- SOLE DISPOSITIVE POWER
REPORTING		
PERSON	8	1,000 SHARED DISPOSITIVE POWER
WITH		
9	-0-	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10	1,000	CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)
11		PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)
	0.0%	

TYPE OF REPORTING PERSON (See Instructions)

CO

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CUSIP NO. 501173207

1 NAME OF REPORTING PERSON

2 MU Investments Co., Ltd.
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Tokyo, Japan

5 SOLE VOTING POWER

NUMBER OF

SHARES

6 119,000
SHARED VOTING POWER

BENEFICIALLY

OWNED BY

EACH

7 -0-
SOLE DISPOSITIVE POWER

REPORTING

PERSON

8 119,000
SHARED DISPOSITIVE POWER

WITH

9 -0-
AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10 119,000
CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (See Instructions)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

12 0.0%
TYPE OF REPORTING PERSON (See Instructions)

CO

CUSIP NO. 501173207

ITEM 1

(a) Name of Issuer

Kubota Corporation

(b) Address of Issuer's Principal Executive Offices

2-47 Shikitsu-higashi 1-chome, Naniwa-ku, Osaka 556-8601, Japan

ITEM 2

(a) Names of Persons Filing

Mitsubishi UFJ Financial Group, Inc. ("MUFG")

The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU")

Mitsubishi UFJ Trust and Banking Corporation ("MUTB")

Mitsubishi UFJ Securities Co., Ltd. ("MUS")

Mitsubishi UFJ Securities International plc ("MUSI")

Mitsubishi UFJ Asset Management Co., Ltd. ("MUAM")

Mitsubishi UFJ Asset Management (UK) Ltd. ("MUAMUK")

MU Investments Co., Ltd. ("MUI")

(b) Address of Principal Business Office or, if none, Residence

MUFG:

7-1 Marunouchi 2-chome, Chiyoda-ku

Tokyo 100-8330, Japan

BTMU:

7-1 Marunouchi 2-chome, Chiyoda-ku

Tokyo 100-8388, Japan

MUTB:

4-5 Marunouchi 1-chome, Chiyoda-ku

Tokyo 100-8212, Japan

MUS:

4-1 Marunouchi 2-chome, Chiyoda-ku

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Tokyo 100-6334, Japan

MUSI:

6 Broadgate, London EC2M 2AA

United Kingdom

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MUAM:

4-5 Marunouchi 1-chome, Chiyoda-ku

Tokyo 100-8212, Japan

MUAMUK:

12-15 Finsbury Circus, London, EC2M 7BT

United Kingdom

MUI:

2-15 Nihonbashi Muromachi 3-chome, Chuo-ku

Tokyo 103-0022, Japan

(c) Citizenship

Not applicable.

(d) Title of Class of Securities

Common Stock

(e) CUSIP Number

501173207

ITEM 3

If this statement is filed pursuant to §§ 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

- MUFG:
- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
 - (f) An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) Group, in accordance with § 240.13d-1(b)(1)(ii)(J).

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- BTMU: (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
(b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
(c) Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
(d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
(e) An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
(f) An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
(g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
(h) A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
(i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
(j) Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUTB: (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
(b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
(c) Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
(d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
(e) An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
(f) An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
(g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
(h) A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
(i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
(j) Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUS: (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
(b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
(c) Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).

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- (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) o An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
 - (f) o An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) o A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) o Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUSI:
- (a) x Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) x Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) o Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) o An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
 - (f) o An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) o A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) o Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUAM:
- (a) o Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) o Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) o Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) x An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);

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- (f) o An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) o A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) o Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUAMUK:
- (a) o Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) o Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) o Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) x An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
 - (f) o An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) o A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) o Group, in accordance with § 240.13d-1(b)(1)(ii)(J).
- MUI:
- (a) o Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) o Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) o Insurance company as fined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
 - (e) x An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
 - (f) o An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
 - (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);

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- (h) o A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) o Group, in accordance with § 240.13d-1(b)(1)(ii)(J).

ITEM 4 Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

For MUFG

(a)	Amount Beneficially Owned:	93,853,806
(b)	Percent of Class:	7.29%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	93,853,806
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	93,853,806
	(iv) Shared power to dispose or to direct the disposition of:	-0-

For BTMU

(a)	Amount Beneficially Owned:	20,173,729
(b)	Percent of Class:	1.57%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	20,173,729
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	20,173,729
	(iv) Shared power to dispose or to direct the disposition of:	-0-

For MUTB

(a)	Amount Beneficially Owned:	66,050,000
(b)	Percent of Class:	5.13%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	66,050,000
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	66,050,000
	(iv) Shared power to dispose or to direct the disposition of:	-0-

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For MUS

(a)	Amount Beneficially Owned:	3,845,077
(b)	Percent of Class:	0.30%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	3,845,077
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	3,845,077
	(iv) Shared power to dispose or to direct the disposition of:	-0-

For MUSI

(a)	Amount Beneficially Owned:	76,000
(b)	Percent of Class:	0.01%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	76,000
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	76,000
	(iv) Shared power to dispose or to direct the disposition of:	-0-

For MUAM

(a)	Amount Beneficially Owned:	3,666,000
(b)	Percent of Class:	0.28%
(c)	Number of shares as to which the person has:	
	(i) Sole power to vote or to direct the vote:	3,666,000
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	3,666,000
	(iv) Shared power to dispose or to direct the disposition of:	-0-

For MUAMUK

(a)	Amount Beneficially Owned:	1,000
(b)	Percent of Class:	0.00%
(c)	Number of shares as to the such person has:	
	(i) Sole power to vote or to direct the vote:	1,000
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	1,000
	(iv) Shared power to dispose or to direct the disposition of:	-0-

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For MUI

(a)	Amount Beneficially Owned:	119,000
(b)	Percent of Class:	0.01%
(c)	Number of shares as to the such person has:	
	(i) Sole power to vote or to direct the vote:	119,000
	(ii) Shared power to vote or to direct the vote:	-0-
	(iii) Sole power to dispose or to direct the disposition of:	119,000
	(iv) Shared power to dispose or to direct the disposition of:	-0-

ITEM 5 Ownership of Five Percent or Less of a Class

Not applicable.

ITEM 6 Ownership of More than Five Percent on Behalf of Another Person

Not applicable.

ITEM 7 Identification and Classification of the Subsidiary which Acquired the Security Being Reported on by the Parent Holding Company

As of December 31, 2007, MUFG beneficially owns 93,853,806 shares indirectly through its subsidiaries as follows: BTMU holds 20,173,729 shares; MUTB holds 66,050,000 shares; MUS holds 3,845,077 shares (including 76,000 shares indirectly held through MUS's subsidiary, MUSI); MUAM holds 3,666,000 shares (including 1,000 shares indirectly held through MUAM's subsidiary, MUAMUK); and MUI holds 119,000 shares.

ITEM 8 Identification and Classification of Members of the Group

Not applicable.

ITEM 9 Notice of Dissolution of Group

Not applicable.

ITEM 10 Certification

By signing below the filers certify that, to the extent of their best knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

MITSUBISHI UFJ FINANCIAL GROUP, INC.

By: /s/ Takami Onodera

Name: Takami Onodera

Title: General Manager, Credit & Investment Management Division

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Takami Onodera

Name: Takami Onodera

Title: General Manager, Credit Policy & Planning Division

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CUSIP NO. 501173207

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

mitsubishi ufj trust and banking corporation

By: /s/ Koji Kawakami

Name: Koji Kawakami

Title: Deputy General Manager of Trust Assets Planning Division

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CUSIP NO. 501173207

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

mitsubishi ufj securities co., ltd.

By: /s/ Masayasu Tsukada

Name: Masayasu Tsukada

Title: General Manager, Corporate Planning Division

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

mitsubishi ufj securities international plc

By: /s/ Yasutaka Suehiro

Name: Yasutaka Suehiro

Title: Managing Director

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

mitsubishi ufj asset management co., ltd.

By: /s/ Katsutoshi Edamura

Name: Katsutoshi Edamura

Title: General Manager of Risk Management Division

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

mitsubishi ufj asset management (uk) ltd.

By: /s/ Hiroyuki Mori

Name: Hiroyuki Mori

Title: Managing Director & CE

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CUSIP NO. 501173207

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 4, 2008

MU INVESTMENTS CO., LTD.

By: /s/ Kenji Fujii

Name: Kenji Fujii

Title: General Manager of Risk Management Dept.

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