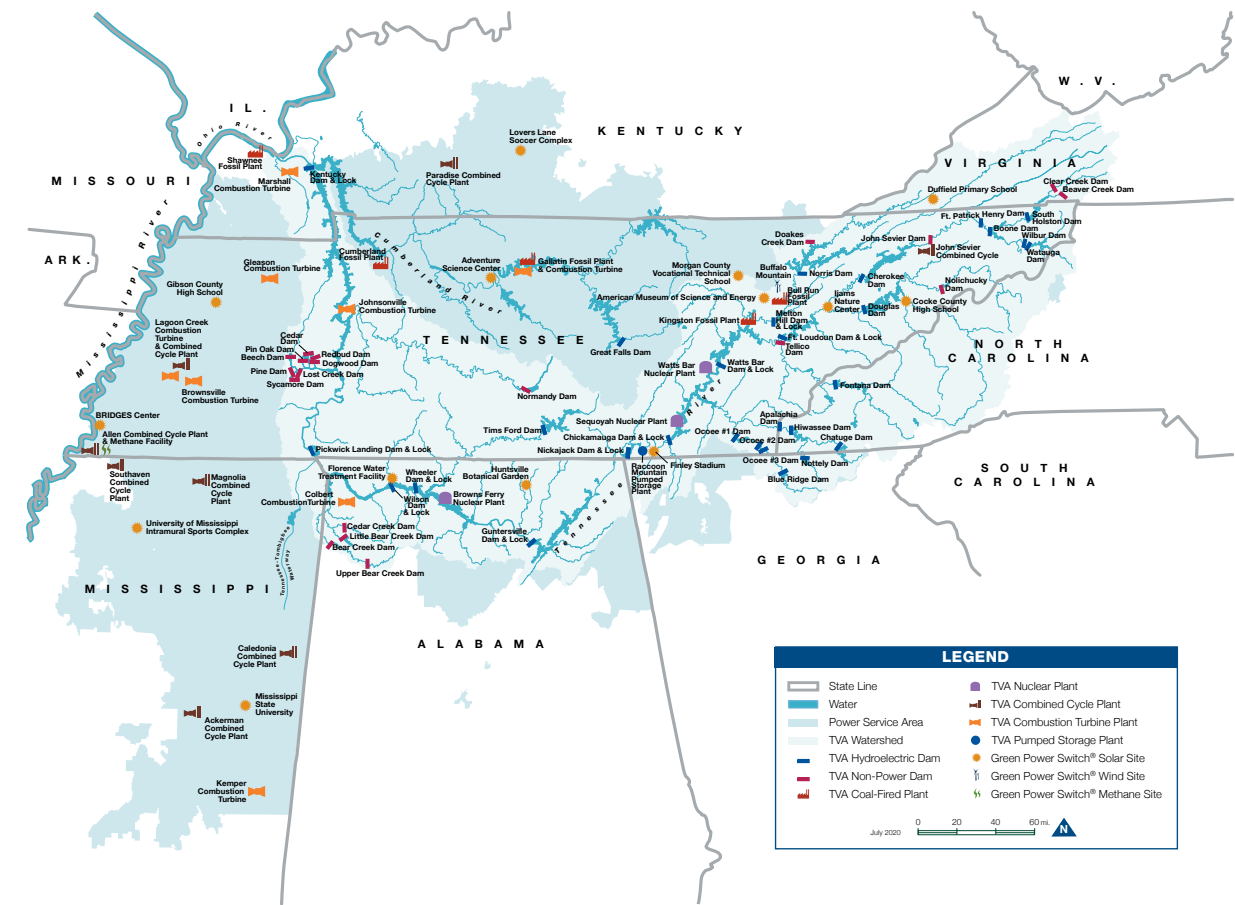


Office of the Inspector General  
TENNESSEE VALLEY AUTHORITY  
Semiannual Report  
October 1, 2021 - March 31, 2022

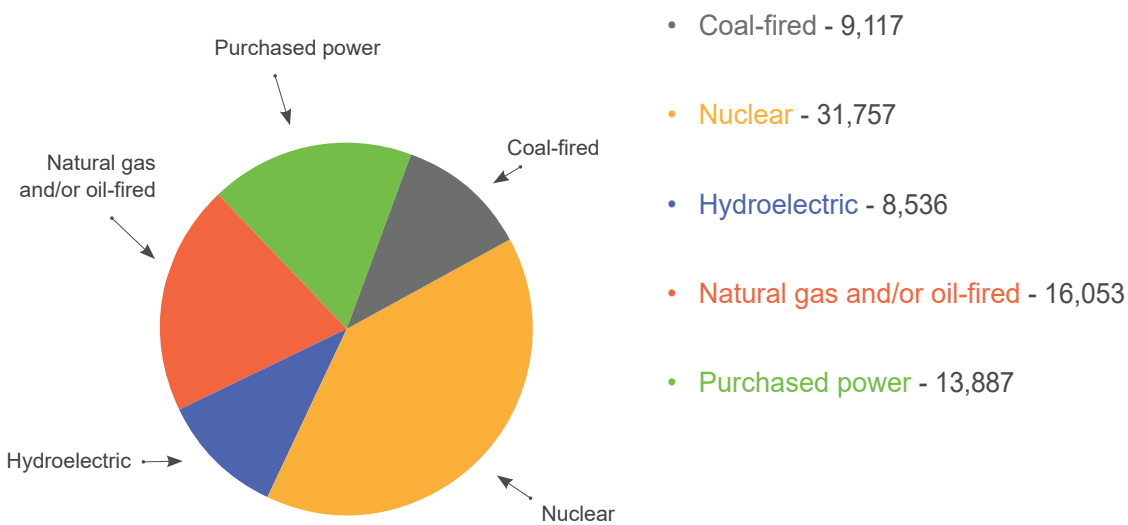


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**Total Power Supply by Generating Source  
Six Months Ended March 31, 2022<sup>1</sup>  
(in millions of kilowatt hours)**



<sup>1</sup> For additional detail, see TVA's 10-Q for the period ended March 31, 2022.

# MESSAGE FROM THE DEPUTY INSPECTOR GENERAL



*I am pleased to present our report for the period October 1, 2021, to March 31, 2022. Our independent, professional, and dedicated staff continually focus on identifying potential risks to the Tennessee Valley Authority's (TVA) ability to achieve its mission of providing reliable power at the lowest feasible rates, environmental stewardship, and economic development to the Tennessee Valley.*

In this semiannual period, our audit, evaluation, and investigative activities identified more than \$9.3 million in questioned costs, funds put to better use, recoveries, waste, and opportunities for TVA to improve its programs and operations. Below are highlights of our work this period.

- Three preaward examinations identified almost \$6.5 million of potential savings opportunities for TVA to negotiate.
- Three contract compliance audits identified over \$700,000 in potential overbillings and an audit of an almost \$900,000 contractor claim found the claim was invalid.
- An audit of the maintenance of TVA-owned gas pipelines found improvements can be made in oversight of the providers, and policies need to be updated.
- Information technology (IT) audits of internet perimeter security and remote application and desktop virtualization areas identified several areas where

TVA had implemented cybersecurity best practices as well as identified vulnerabilities and gaps in settings, designs, and procedures.

- An evaluation of the TVA Board Practice on Memberships in External Organizations found (1) no evidence TVA was out of compliance with the board practice, (2) all contracts or membership agreements contained required language limiting the use of TVA funds for prohibited activities such as litigation or lobbying, and (3) TVA does not have a contract or membership agreement with one external organization. We did not identify any evidence of direct lobbying or litigation on behalf of TVA; however, the external organizations do not administratively segregate TVA's funds, so we were unable to determine if the funds were used for lobbying or litigation.
- An evaluation of human performance events<sup>1</sup> in Gas Operations and Hydro Generation organizations in fiscal year (FY) 2020 determined TVA took appropriate actions or had planned actions in response to those human performance events.



- An evaluation of the management of real property acquisitions and disposals determined sampled transactions were effectively managed by TVA; however, we also identified opportunities for improvement.
- Four organizational effectiveness evaluations in the Gas and Nuclear organizations identified strengths as well as behavioral risks that could, if not addressed, impact each individual business unit's ability to execute its mission.
- Results from investigations included the indictment of two individuals, the conviction and sentencing of a former TVA manager, sentencing of a former TVA contractor, and a significant contractual financial recovery to TVA.

Everyday our dedicated professional team focuses not only on what we do, but on how we perform our work to maximize our ability to help TVA get better. It remains a high honor to work alongside these men and women who proudly serve each day. We also appreciate the professionalism of and dialogue with TVA's Board and management as we all strive to make TVA better for the benefit of everyone in the Tennessee Valley.

  
Jill M. Matthews

Deputy Inspector General Performing the  
Duties of the Inspector General

<sup>1</sup> Significant human performance events are incidents that seriously impact safety, the environment, regulatory compliance, or asset performance.



# EXECUTIVE OVERVIEW

*During the six months of this reporting period, there have been significant changes in the United States and abroad. While the COVID-19 pandemic has surged and receded, both TVA and the Office of the Inspector General (OIG) have begun the process of returning to the office to perform our duties—keeping safety protocols on the forefront. Four federal Executive Orders have placed mandates on TVA related to cybersecurity, workforce diversity, the federal response to the COVID-19 pandemic, and carbon reduction requirements. In addition, the world spotlight has turned to war with the Russian invasion of Ukraine. While that conflict is on the other side of the planet, its impact has had a ripple effect, and like other companies, TVA's operational risks have heightened. Despite these global and local changes, TVA's mission of service to the 10 million people of the Tennessee Valley remains steadfast. The audits, evaluations, and investigative work performed by our office help TVA navigate an ever-changing landscape.*

## AUDITS

Our audit organization includes three departments that focus on contract audits, financial and operational audits, and IT audits. During this reporting period, these teams completed 13 audits and examinations that identified more than \$8.1 million in questioned costs and funds to be put to better use.

### Contract Audits

To support TVA management in negotiating procurement actions, we completed three preaward examinations of cost proposals submitted by companies proposing to provide transmission construction services to TVA. Our examinations identified \$6.5 million of potential savings opportunities for TVA to negotiate. We also completed three compliance audits of contracts with expenditures totaling \$102.5 million related to (1) general construction and modification services; (2) IT hardware, maintenance, services, and support; and (3) construction management services. These audits identified potential overbillings of \$738,272. In addition, we completed an audit to determine if a contractor's \$891,340 claim submitted to TVA for missing gas cylinders complied with the contracts' terms and was accurate. We determined the contractor's claim was not valid. The Contract Audits section begins on page 15 of this report.

### Financial and Operational Audits

With a focus on financial reporting, compliance with applicable laws and regulations, and TVA operations, we completed audits of TVA's corporate contributions and maintenance of TVA-owned gas pipelines. In addition to our audit work, we monitored the audit of TVA's FY 2021 financial statements by an external auditor and applied agreed-upon procedures related to TVA's 2021 Winning Performance (WP) measures. The Financial and Operational Audits section begins on page 16 of this report.

### IT Audits

IT Audits completed audits of TVA's (1) internet perimeter security, (2) remote application and desktop virtualization, and (3) information security program as required by the Federal Information Security Modernization Act (FISMA) of 2014. The IT Audits section begins on page 20 of this report.





Douglas Dam

## EVALUATIONS

Our Evaluations organization includes two groups, one of which focuses on organizational effectiveness reviews. During this reporting period, our teams completed three evaluations and four organizational effectiveness reviews, which identified a number of opportunities for improvement.

### Evaluations

The Evaluations group completed three evaluations during this semiannual period. These included evaluations of TVA's external organizations board practice, human performance events in Gas and Hydro organizations, and acquisitions and disposals of real property. The Evaluations section begins on page 22 of this report.

## Organizational Effectiveness

This group completed evaluations of four TVA organizations to assess behavioral and operational factors that could impact their organizational effectiveness. The organizational effectiveness reviews included evaluations of Browns Ferry Nuclear Plant Chemistry, Southaven Combined Cycle Plant, Lagoon Creek Combined Cycle Plant, and Lagoon Creek Combustion Turbine Plant. The Organizational Effectiveness section begins on page 24 of this report.

## INVESTIGATIONS

This semiannual period, we opened 79 cases and closed 79. During this reporting period, two individuals were indicted, a former TVA manager was convicted and sentenced, a former TVA contractor was sentenced, and a significant administrative recovery to TVA was agreed to by a contractor company. OIG agents took part in Active Threat training conducted by OIG and TVA Police staff as well. The Investigations section begins on page 28 of this report.

STATISTICAL HIGHLIGHTS	
October 1, 2021 – March 31, 2022	
Audit Reports Issued	13
Evaluations Completed	7
Questioned Costs	\$1,629,612
Questioned Costs Agreed to by TVA	\$1,629,612
Questioned Costs Recovered by TVA	\$101,679
Funds to be Put to Better Use	\$6,483,000
Savings Realized by TVA	\$0
Investigations Opened	79
Investigations Closed	79
Recoveries/Fines/Fees/Savings	\$685,936
Waste/Other Monetary Loss	\$506,244
Criminal Forfeitures Ordered	0
Criminal Actions	5
Administrative Actions (Number of Subjects)	4



# ORGANIZATION

Since 1985, the OIG has worked to help TVA become better. Through our audits, evaluations, and investigations, we provide TVA management, the TVA Board, and Congress with an independent look at the economy, efficiency, and effectiveness of TVA programs and help prevent and detect fraud, waste, and abuse. Over the years, the OIG has helped TVA save or recover millions of dollars and recommended numerous program improvements. We credit our success to the efforts of our hardworking and talented staff and the professional responsiveness of TVA management to our recommendations.

## TVA OIG OFFICE LOCATIONS

The OIG has a work philosophy of being in the right place at the right time to do the best work possible. We support that philosophy by encouraging our OIG employees to work where they can be most effective whether that is in one of our physical offices, in the field, or in one of our virtual offices that enable our employees to telework from home or while traveling. Our philosophy has served us well, especially during the COVID-19 pandemic.

The OIG has strategically located its offices near all major TVA offices throughout the Tennessee Valley. We are headquartered in TVA's Knoxville Office Complex overlooking the downtown area. The OIG has field offices in Chattanooga, Tennessee, where members of the Evaluations and Financial and Operational Audits departments and several special agents are located. Special agents are also located in Nashville, Tennessee, and Huntsville, Alabama. Additionally, we have office locations at Watts Bar Nuclear Plant in Spring City, Tennessee, and Sequoyah Nuclear Plant in Soddy Daisy, Tennessee. Staff work in these locations as needed. As of March 31, 2022, the OIG had a total staff of 100 employees.

## ADMINISTRATION

**The Administration team** works closely with the Inspector General (IG), Deputy IG, and Assistant IGs to address the day-to-day operations of the OIG and to develop policies and procedures designed to drive and enhance productivity, quality, and compliance, and achieve office goals. Responsibilities include personnel

administration, internal assessments, budget and financial management, purchasing and contract services, facilities coordination, training-event planning, communications facilitation, and IT support.

## AUDITS AND EVALUATIONS

**The Audits and Evaluations teams** perform a wide variety of engagements designed to promote positive change and provide assurance to TVA stakeholders. Based upon the results of these engagements, the Audits and Evaluations organizations make recommendations to enhance the effectiveness and efficiency of TVA programs and operations.

The organizations use an impact- and risk-based approach to develop an annual work plan. In developing the plan, the OIG considers TVA's strategic plans, major management challenges, TVA's enterprise risk management process, and other input from TVA management. This planning model also evaluates each potential engagement from the standpoint of materiality (i.e., costs or value of assets), potential impact, sensitivity (including public and congressional interest), and the likelihood it will result in recommendations for cost savings, recovery of dollars, or process improvements. The result of the OIG Audits and Evaluations planning process is a focus on the issues of highest impact and risk to TVA.

These issues vary depending on the objectives of the project. The graphic on page 12 shows some representative examples of issues our audit and evaluation projects are commonly designed to identify.



TYPES OF AUDIT & EVALUATION ISSUES



**The Audits team** conducts performance audits of TVA programs and operations, providing an inclusive picture of TVA’s overall fiscal and operational health. The organization is made up of three departments—Contract Audits, Financial and Operational Audits, and IT Audits. The Audits organization performs its work in accordance with *Government Auditing Standards*.

- Contract Audits has lead responsibility for contract compliance audits and preaward examinations. In addition, this department performs audits of TVA contracting processes and provides claims assistance as well as litigation support.
- Financial and Operational Audits is responsible for performing audit work mandated by legislation, agreed-upon procedures, as well as risk-based audits associated with TVA financial and operational activities. The work stems largely from mandated activities, review of TVA’s business-risk environment, consideration of emerging issues, and requests. This department also provides oversight of the TVA external auditor’s compliance with professional standards.

- IT Audits has lead responsibility for audits relating to the security of TVA’s IT infrastructure, application controls, and general controls associated with TVA systems. This department also performs operational audits of the effectiveness of IT-related functions.

**The Evaluations team** assesses both operational and cultural aspects of programs and departments throughout TVA to ensure objectives and operational functions are achieved effectively and efficiently. This organization is made up of two departments—Evaluations and Organizational Effectiveness. This organization performs its work in accordance with *Quality Standards for Inspection and Evaluation* as prescribed by as prescribed by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

- Evaluations performs both comprehensive reviews and more limited-scope policy and program reviews to monitor compliance and assess the efficiency and effectiveness of operations.
- Organizational Effectiveness performs risk-based reviews to assess operational and cultural areas, including behavioral and operational factors that could impact an organization’s ability to achieve its mission and goals.

INVESTIGATIONS

**The Investigations team** proactively and reactively uncovers activity related to fraud, waste, and abuse in TVA programs and operations. This organization performs its investigations in accordance with the *Quality Standards for Investigations* as prescribed by CIGIE, applicable U.S. Attorney General Guidelines, and other guiding documents. OIG special agents maintain liaisons with federal and state prosecutors and notify the U.S. Department of Justice whenever the OIG has reason to believe there has been a violation of federal criminal law. Special agents partner with other investigative agencies and organizations on special projects and assignments, including interagency law enforcement task forces on terrorism, the environment, health care, and public corruption. The graphic below shows the major categories of investigations.

LEGAL

**The OIG Legal Counsel team** monitors existing and proposed legislation and regulations that relate to the mandate, operations, and programs of the OIG and TVA. Additionally, this team provides legal advice as needed for administrative, audit, evaluation, and investigative projects. OIG attorneys serve as ethics officials, providing OIG employees guidance on government ethics and standards of conduct. The TVA Whistleblower Protection Coordinator is also a part of this team and provides information regarding the statutory protections against retaliation for all TVA employees.

MAJOR CATEGORIES OF INVESTIGATIONS







# SUMMARY OF REPRESENTATIVE AUDITS

*During this semiannual reporting period, the TVA OIG audit organization completed 13 audits and examinations. This work identified more than \$8.1 million in questioned costs for TVA to recover and funds to be put to better use. We also identified several opportunities for TVA to improve the effectiveness and efficiency of its programs and operations.*

## CONTRACT AUDITS

### Preaward Contract Examinations

To support TVA management in negotiating procurement actions, we completed three preaward examinations of cost proposals submitted by companies proposing to provide transmission construction services to TVA. Our examinations identified \$6.5 million of potential savings opportunities for TVA to negotiate. The savings opportunities were primarily related to overstated labor markup rates for the recovery of the companies' indirect costs.

### Contract Compliance Reviews

During this semiannual period, we completed three compliance audits of contracts with expenditures totaling \$102.5 million. These audits identified potential overbillings of \$738,272. In addition, we completed an audit to determine if a contractor's \$891,340 claim submitted to TVA for missing gas cylinders complied with the contracts' terms and was accurate. We determined the contractor's claim was not valid. Highlights of our completed compliance audits follow.

- We audited \$8.7 million in costs billed by a contractor for providing general construction and modification services to TVA. We determined (1) the contractor overbilled TVA \$4,070 in ineligible fee and (2) TVA paid an additional \$187,786 in labor costs because the contractor used statutory payroll tax rates instead of effective payroll tax rates in the buildup of its craft labor billing rates. We also noted opportunities to improve contract administration by TVA. Specifically, we

found the contract contained (1) language requiring subcontractor approval that did not match TVA's intent and (2) inconsistent language regarding markups on subcontractor costs.

- We audited \$72.5 million in costs billed by a contractor for providing IT hardware, maintenance, services, and support to TVA. We determined the contractor:
  - Overbilled TVA \$38,302 in labor service costs, including (1) \$31,341 for unsupported labor hours and (2) \$6,961 in excessive hourly pay rates.
  - Could not provide adequate support for the list prices used to apply contractual discounts for products and maintenance. Therefore, we could not determine if the majority of costs billed for products and maintenance agreements were in accordance with the contract terms.
  - Overbilled TVA \$4,051 because the contractual discounts were not applied correctly on the limited product costs we were able to review.
- We audited \$21.3 million in costs billed by a contractor for providing construction management services to TVA. We determined the contractor overbilled TVA \$504,063, including (1) \$322,596 in unsupported and ineligible temporary living allowances and travel costs, (2) \$73,188 in labor costs, and (3) \$108,279 in payroll tax and insurance costs for 2018 and 2019 because costs were not adjusted to actual costs at year-end as required by the contract.



In addition, the contractor also informed us that it had not performed a payroll tax and insurance adjustment for calendar years 2017 and 2020. We also identified opportunities for TVA to improve contract administration by ensuring the contract does not include conflicting contract language.

- We audited an \$891,340 claim submitted to TVA by a contractor for missing gas cylinders under multiple contracts. The claim resulted from inventory counts the contractor performed at TVA delivery locations in 2018. Our audit objective was to determine if the contractor's claim for missing gas cylinders complied with the contracts' terms and was accurate. In summary, we determined the contractor's claim was not valid. Specifically, we found the contractor (1) did not comply with the contracts' criteria related to the frequency of inventory audits and loss of use allowances and (2) did not provide documentation supporting that the claimed missing gas cylinders were billed and delivered to TVA.

## FINANCIAL AND OPERATIONAL AUDITS

During this semiannual period, Financial and Operational Audits completed audits of TVA's corporate contributions and maintenance of TVA-owned gas pipelines. In addition to our audit work, we monitored the audit of TVA's FY 2021 financial statements by an external auditor and applied agreed-upon procedures related to TVA's 2021 WP measures.

## Corporate Contributions

Due to the potential reputational risk associated with contributions that do not comply with TVA policies and procedures, we included an audit of TVA's corporate contributions in our FY 2021 Audit Plan. Our audit objective was to determine if corporate contributions were made in compliance with TVA's Corporate Contributions policy (Contributions policy).

We found 41 contributions totaling \$296,582 made using miscellaneous vouchers rather than submitted through TVA's online request and approval system in violation of TVA's Contributions policy. We also noted the Contributions policy and TVA's Miscellaneous Vouchers policy contradict one another. The Miscellaneous Vouchers policy states miscellaneous vouchers may be used for payment of contributions while the Contributions policy states all contributions made by TVA must be processed through the Community Relations office to confirm consistent adherence to the approval requirements and minimize overlapping of contributions, including sponsorships.

We also found control weaknesses, including inadequate segregation of duties, inadequate controls for contribution approvals, and a lack of ongoing technical support for the contributions request and approval system. Additionally, in-kind donations are not managed and tracked as outlined in the Contributions policy.

TVA management provided actions TVA plans to take to address each of our recommendations to strengthen internal controls and help improve compliance with the Contributions policy by (1) correcting the discrepancy between the Contributions policy and the Miscellaneous Vouchers policy, (2) reinforcing requirements and updating the Contributions policy, and (3) updating the contributions request process and/or system.



Great Falls Dam





## Maintenance of TVA-Owned Gas Pipelines

TVA owns and operates three lateral natural gas transmission pipelines (GTP) within the state of Tennessee to enable natural gas delivery at the Gallatin and Johnsonville Combustion Turbine Plants and the Lagoon Creek Combined Cycle Plant. TVA contracts with two Contract Operations Providers to operate and maintain its three natural gas pipelines and components in compliance with Pipeline and Hazardous Materials Safety Administration pipeline safety guidance. TVA also has a contract with an engineering provider to oversee the Contract Operations Providers related to adherence to approved contract scope, quality, and schedule as well as the review and monitoring of documented operation and maintenance.

Based on pipeline issues identified at other utilities and potential risks to TVA, we performed an audit of TVA's maintenance of its owned gas pipelines to determine if TVA's maintenance of its owned gas pipelines is adequate. Our audit found TVA did not provide sufficient oversight of the two Contract Operations Providers and the Contract Engineering Provider. We found the lack of oversight resulted in inadequate maintenance in some areas and inconsistencies in reporting that hindered TVA's ability to track and correct the identified deficiencies. In addition, we found TVA's GTP policy in place between July 2016 and October 2020 was limited and outdated on contractor oversight.

TVA management agreed with our recommendations to (1) enforce contract documentation requirements to verify work required by Pipeline and Hazardous Materials Safety Administration pipeline safety guidance is performed and properly documented and maintenance is performed as needed, (2) develop an oversight program to track maintenance deficiencies, and (3) reinforce the requirements for TVA to provide oversight of its owned gas pipelines as provided for in the GTP policy. TVA management also provided information on improvement and engagement actions they had initiated.

## Oversight of the FY 2021 Financial Statement Audit

TVA contracted with the independent public accounting firm of Ernst & Young LLP to audit TVA's consolidated balance sheet as of September 30, 2021, and the related consolidated statements of operations, comprehensive income (loss), changes in proprietary capital, and cash flows for the year then ended. This also included the audit of TVA's internal control over financial reporting as of fiscal year-end. Additionally, the firm also reviewed TVA's FY 2021 interim financial information filed on Form 10-Q with the Securities and Exchange Commission. The contract required the work be performed in accordance with *Government Auditing Standards*. Our monitoring of their work disclosed no instances where the firm did not comply, in all material respects, with these standards.

## Agreed-Upon Procedures for TVA FY 2021 Performance Measures

TVA's WP Incentive Plan is a performance management program designed to promote teamwork, focus on continued high performance, and motivate and reward employees for achieving strategic objectives and critical success factors. We applied agreed-upon procedures requested and agreed to by TVA management solely to assist management in determining the validity of the WP/Executive Annual Incentive Plan measures for FY ended September 30, 2021. TVA management is responsible for the WP Measures data provided. In summary, we found:

- The FY 2021 WP goals for the Enterprise measures were properly approved. There was one change form that affected one measure.
- The FY 2021 goals (target) for the corporate multiplier measures were properly approved.
- The actual FY to-date results for the Enterprise measures agreed with the underlying support, without exception.



- The actual FY to-date results for the corporate multiplier measures agreed with the underlying support, without exception.
- The FY 2021 WP payout percentage provided by the Benchmarking and Enterprise Performance organization on November 5, 2021, was mathematically accurate and agreed with the OIG’s recalculation.

IT AUDITS

During this semiannual period, IT Audits completed audits of TVA’s (1) internet perimeter security, (2) remote application and desktop virtualization, and (3) information security program as required by the FISMA of 2014.

Internet Perimeter Security

TVA utilizes Internet-accessible systems to provide public information, employee services, and some business functions. Internet-accessible systems present risks to organizations as they may be leveraged to access internal systems and/or confidential and sensitive information. We conducted an audit of TVA’s Internet-accessible systems to identify cybersecurity weaknesses using penetration testing methodologies and found some vulnerabilities. Specifically, we (1) downloaded files related to TVA’s disposal of coal ash that were marked as confidential, (2) accessed a Web site related to river operations that used weak authentication, and (3) found TVA’s password complexity requirements on a TVA publicly available Web site. TVA management took action to (1) ensure documents related to TVA’s disposal of coal ash for public release are properly reviewed and TVA information classification markings removed, (2) ensure Web sites follow TVA policy for authentication, and (3) remove TVA’s password complexity rules from a TVA publicly accessible Web site.

Remote Application and Desktop Virtualization

TVA utilizes remote application and desktop virtualization software to provide workforce mobility while employees and contractors are not physically in the office. Due to the COVID-19 pandemic, there was an increase in remote access use for TVA employees and contractors. We performed an audit of TVA’s use of remote application and desktop virtualization to determine if TVA was following best practices to properly secure the use of remote application and desktop virtualization. We found several areas where TVA was consistent with cybersecurity remote access best practices. However, we identified gaps in TVA’s configuration settings, architectural design, and administrative procedures. TVA management agreed with our recommendation to review the identified gaps and remediate as appropriate.

Federal Information Security Modernization Act

The FISMA of 2014 requires each agency’s IG to conduct an annual independent evaluation to determine the effectiveness of the information security program (ISP) and practices of its respective agency. The FY 2021 IG FISMA metrics recommend a majority of the functions be at a maturity level 4 (managed and measurable) or higher to be considered effective. Based on our analysis of the metrics and associated maturity levels defined within the FY 2021 IG FISMA metrics, we found TVA’s ISP was operating in an effective manner.







# SUMMARY OF REPRESENTATIVE EVALUATIONS

*During this reporting period, our teams completed three evaluations and four organizational effectiveness reviews, which identified a number of opportunities for improvement.*

## EVALUATIONS

Evaluations performs both comprehensive reviews and more limited-scope policy and program reviews to monitor compliance, and assess the efficiency and effectiveness of operations. During this semiannual reporting period, the Evaluations department completed three evaluations, including reviews of TVA's Board Practice on Memberships in External Organizations, human performance events in Gas and Hydro organizations, and acquisitions and disposals of real property.

### External Organizations Board Practice

In November 2016, the TVA Board of Directors approved the TVA Membership in External Organizations Board Practice to provide more definitive guidance as to limitations applicable to TVA's participation in external organizations. In response to requests from stakeholders, we performed an evaluation to determine if TVA complied with the 2016 Board Practice regarding memberships in external organizations.

We found no evidence TVA was out of compliance with the TVA Memberships in External Organizations Board Practice. We did not identify any evidence of direct lobbying or litigation on behalf of TVA; however, the external organizations do not administratively segregate TVA's funds, so we were unable to determine if the funds were used for lobbying or litigation. We also found all contracts or membership agreements contained required language limiting the use of TVA funds for prohibited activities such as litigation or lobbying; however, TVA does not have a contract or membership agreement with one external organization.

We also identified opportunities for improvement related to TVA's management of memberships in external organizations. Specifically, we determined TVA could (1) provide training to employees participating in committee or leadership roles in external organizations and (2) benefit from the coordination of all memberships in external organizations with the Office of the General Counsel to confirm all legal and ethical requirements are met. TVA management agreed with our recommendations to address the opportunities related to management of external organization memberships.

### Gas and Hydro Human Performance Events

Due to an elevated number of significant human performance events<sup>2</sup> in Gas Operations and Hydro Generation organizations in FY 2020, we performed an evaluation to determine if TVA was taking appropriate actions in response to human performance events.

We determined appropriate actions were taken in response to human performance events in Gas and Hydro. Specifically, we determined (1) actions were taken or planned to be taken in response to human performance events and (2) initiatives were created to improve human performance in the organizations.

### Acquisition and Disposal of Real Property

TVA Standard Programs and Processes (SPP) 37.000, *Real Property Management*, defines (1) acquisitions as purchases, easements, and leases for land, buildings, and/or structures and (2) disposals as conveyances of real property and real property interests, including sales,

<sup>2</sup> Significant human performance events are incidents that seriously impact safety, the environment, regulatory compliance, or asset performance.



easements, and leases for land, buildings, and/or structures. In 2017, TVA's Strategic Real Estate and Governance group developed a series of SPPs and user guides (UGs) that created a governance framework for acquisition and disposal of real property. Collectively, the SPPs and UGs outline steps real property transactions must follow, such as (1) submitting Real Property Requests;<sup>3</sup> (2) obtaining relevant approvals that can include senior management, legal, as well as other concurrences; (3) executing and closure of transaction documentation; and (4) updating official records. Additionally, the SPPs and UGs identify reviews that may be required for transactions, including financial, environmental, and title reviews. Due to the complexity and scope of real property transactions at TVA, we performed an evaluation to determine if TVA was effectively managing acquisitions and disposals of real property.

We determined TVA effectively managed the real property acquisitions and disposals for a sample of transactions. Specifically, we determined sampled acquisition and disposal decisions were generally supported by the financial, environmental, and title reviews conducted as part of TVA's real property transaction process; however, we identified noncompliance with some parts of the SPPs and UGs. We also identified opportunities for improvement related to (1) information provided to the TVA Board of Directors and (2) SPP and UG clarification. Additionally, some TVA personnel expressed concerns regarding TVA's real property survey process. TVA management agreed with our recommendations related to complying with and clarifying relevant SPPs and UGs, providing relevant information to the TVA Board of Directors, and evaluating certain aspects of TVA's survey process.

## ORGANIZATIONAL EFFECTIVENESS

During this semiannual reporting period, the Organizational Effectiveness group completed evaluations of four TVA organizations to assess behavioral and operational factors that could impact their organizational effectiveness. The organizational

effectiveness evaluations included Browns Ferry Nuclear Plant (BFN) Chemistry, Southaven Combined Cycle Plant, Lagoon Creek Combined Cycle Plant, and Lagoon Creek Combustion Turbine Plant.

### Browns Ferry Nuclear Plant Chemistry

As part of TVA Nuclear, BFN Chemistry is tasked with (1) maintaining the chemical operating environment for all plant systems (including fuel assemblies) in such a manner that systems and equipment will meet or exceed their designed lifetimes, (2) meeting all applicable regulatory requirements, (3) avoiding adverse effects to nuclear fuel, and (4) minimizing plant dose rates.

We identified behaviors that had a positive impact on BFN Chemistry, including relationships between employees and most management. However, we also identified a minimal behavioral risk related to management communication. In addition, we identified minimal risks to operations that, if unaddressed, could hinder BFN Chemistry's effectiveness. These risks were related to nonfunctioning equipment and perceptions of inadequate staffing. TVA provided actions to address communications, nonfunctioning equipment, and perceptions of inadequate staffing.

### Southaven Combined Cycle Plant

Southaven Combined Cycle Plant (SCC), commissioned in 2003, was acquired by TVA in 2013 from Seven States Southaven, LLC. Located in Southaven, Mississippi, SCC is one of eight combined cycle sites included in TVA's generation portfolio. SCC consists of three units with a summer net capability<sup>4</sup> of 780 megawatts.

We identified behaviors that had a positive impact on SCC, including teamwork and interactions with others; however, we also identified risks related to employee and managerial behaviors that had a negative impact on SCC morale. In addition, we identified operational risks

related to (1) ineffective work management, (2) inaccurate plant drawings, (3) inadequate staffing, and (4) perceived negative interactions with an internal TVA business partner. TVA provided actions planned to address our recommendations related to employee and managerial behaviors, work management, plant drawings, staffing, and interactions with an internal business partner.

### Lagoon Creek Plants

TVA's Lagoon Creek site near Brownsville, Tennessee, contains the Lagoon Creek Combined Cycle Plant (LCCC) and the Lagoon Creek Combustion Turbine Plant (LCCT). LCCC, with a summer net generating capability of 525 megawatts, is one of TVA's eight combined cycle gas sites. LCCT, one of TVA's nine combustion turbine gas sites, has a peaking generation capacity of 904 megawatts in the summer and 1,140 megawatts in the winter.

Similar positive behaviors consisting of relationships/interactions with team members and most management were noted during our reviews. However, we also identified concerns related to training that were similar to

those expressed during other OIG evaluations at TVA's gas plants, making it a fleet-wide concern that TVA is taking actions to address. In addition, we noted risks specific to each site that could hinder their organization's effectiveness if left unaddressed.

Lagoon Creek Combined Cycle - Although many employees commented positively on relationships with first-line management, some concerns were expressed related to communication with one manager. TVA provided actions planned to address our recommendation related to communication.

Lagoon Creek Combustion Turbine - We identified behavioral risks associated with team conflicts. We also identified operational risks that, if unaddressed, could hinder LCCT's effectiveness. These were related to perceptions of not having the parts needed to perform job responsibilities and a lack of money for projects or equipment repairs. TVA provided actions planned to address our recommendations related to team conflicts and perceptions related to parts and equipment repairs.



Lagoon Creek Gas Plant

<sup>3</sup> Upon consideration of any acquisition, disposal, or license transaction and prior to any monetary or contractual discussions with external stakeholders, initiating business units must submit a Real Property Request.

<sup>4</sup> Net capability is a measure of how much power a plant can generate for a specified time period, excluding the power used by the plant itself.





## SPECIAL PROJECT- AUDIT DATA ANALYTICS

As part of our ongoing analysis of TVA's corporate card transactions, we performed data analysis on payments made by TVA to its corporate card vendor between October 1, 2019, and December 31, 2021. During our analysis, we identified a potential duplicate payment of \$291,725 made to the vendor in January 2021.

TVA Expense Administration confirmed the payment was made twice and recovered the \$291,725 from the vendor on January 28, 2022.





# SUMMARY OF REPRESENTATIVE INVESTIGATIONS

*This semiannual period, we opened 79 cases and closed 79. During this reporting period, two individuals were indicted, a former TVA manager was convicted and sentenced, a former TVA contractor was sentenced, and a significant administrative recovery to TVA was agreed to by a contractor company. OIG agents took part in Active Threat training conducted by OIG and TVA Police staff as well. Highlights of this reporting period are described below.*

## Two Charged in Healthcare Fraud Investigation

Based on TVA OIG's investigation, on December 9, 2021, David Woroboff and George Willard, high-level employees of a telemedicine company, were charged by federal indictment with conspiracy to commit health care fraud. The indictment charges that, beginning in May 2014, Woroboff and Willard, and their conspirators, began to use the telemedicine company to generate a high volume of prescriptions for durable medical equipment (DME), without regard to medical necessity. The defendants agreed and arranged for health care providers associated with the telemedicine company to write prescriptions for DME without the establishment of any provider-patient relationship, in exchange for money, and in violation of certain state telemedicine laws.

The indictment states that, in order to encourage providers to write prescriptions without establishing a provider-patient relationship, Woroboff falsely informed providers that "nurses" had already consulted with the patients, taken their medical histories, and determined that the DME was medically appropriate. In reality, the "nurses" were located in the Philippines, were not registered to practice medicine in the United States, and generally had not spoken with the patients. Rather, representatives of marketing companies provided patient information to the telemedicine company and paid the telemedicine company to generate prescriptions for DME. Woroboff and Willard also took additional steps to conceal their scheme, including the use of fake phone numbers and addresses for the health care providers. The defendants caused losses to TRICARE, Medicare, and private health insurance companies of approximately \$37 million.

The investigation was worked jointly with multiple federal agencies. The indictment charged two additional defendants and one additional count of conspiracy to violate the federal Anti-Kickback Statute that were a result of fraudulent schemes taking place outside of the TVA OIG investigation.

## Former TVA Manager Convicted and Sentenced

On November 5, 2021, James C. (Chris) Jenkins pled guilty in federal court to one count of making a false official statement. According to court documents, Mr. Jenkins was employed from May 2011 to February 2017 as a Senior Project Manager in TVA's Nuclear Power and Major Projects groups with fiduciary and management responsibilities that required him to file annual reports disclosing certain personal assets, sources of income, and debts, and to report other outside financial positions, agreements, or arrangements.

These disclosures are made through an Office of Government Ethics Confidential Financial Disclosure Report (Form 450). Government officials review these forms to identify conflicts of interest that may exist between TVA employees and private entities doing business with TVA or seeking business with TVA. A conflict of interest could, among other things, provide a TVA contractor an economic advantage over others and defeat the government's attempt to secure a competitive contract.

Between 2012 and 2016, Mr. Jenkins failed to annually disclose certain debts and income on Form 450s and sought to profit outside the scope of his employment at TVA. This failure to report led to conflicts of interest from which Mr. Jenkins personally benefited.



While employed by TVA, Mr. Jenkins was an owner of Miller Electrical Contractors, Inc. (Miller Electrical) until the January 2011 timeframe. Miller Electrical is a contractor company that provides installation and maintenance services for electric power, communications, lighting, and controls systems, and TVA has used its services over the years at various sites.

After Mr. Jenkins’ ownership role at Miller Electrical ended, and continuing until the May 2014 timeframe, he personally guaranteed Miller Electrical’s \$1.5 million line of credit by listing his residence as collateral; while at the same time, he was a TVA employee and received a \$5,000 “consulting fee” from Miller Electrical. The debt and \$5,000 payment were not disclosed to TVA on Form 450s. Mr. Jenkins also used his position at TVA to award a sole-source, \$88,000, contract to Miller Electrical.

In addition, Mr. Jenkins used his position at TVA to obtain a sole-source award for SIGNiX, Inc., a company owned, in part, by an individual who had previously lent Mr. Jenkins \$750,000, a debt that was not disclosed on Mr. Jenkins’ Form 450s as required. Mr. Jenkins later attempted to reduce his personal loan by the amount of the TVA sole-source award. Mr. Jenkins was sentenced in this matter on March 11, 2022. He was ordered to serve two years of probation and to pay a \$25,000 fine.

## Former TVA Contractor Sentenced

As previously reported, on July 19, 2021, Corrosion Monitoring Services (CMS) owner Steve Turner, a former TVA contractor at Paradise Fossil Plant, was charged in federal court by superseding Information. The Information charged him with three violations: one count of concealing knowledge of the commission of a felony and two counts of obstruction of justice.

More specifically, the first count of the superseding Information to which Mr. Turner pled guilty stated that from August 2015 to August 2016, Mr. Turner had knowledge of the commission of a felony and concealed that fact by failing to report his knowledge of damage to TVA. The damage,

not described in the Information, referred to Mr. Turner’s intentional destruction of TVA property in order to receive payment for repairing that damage.

The second, obstruction, count charged him with knowingly, and with the intent to retaliate, taking adverse action against a family member of a CMS employee who provided truthful information to a law enforcement officer; the third count charged him with obstruction, attempting to impede an investigation by instructing a CMS employee to contact TVA OIG and say his/her prior allegations against Mr. Turner were fabricated.

Mr. Turner pled guilty July 22, 2021. The felony referenced in the Information, as Mr. Turner allocuted to in his plea hearing, was CMS’s involvement in a conspiracy to damage air heaters at coal plants to obtain contracts to repair them.

Mr. Turner was sentenced November 1, 2021. He was ordered to pay \$247,428 restitution to TVA, ordered to pay a \$150,000 fine, and placed on probation for one year, to include 180 days of home detention.

## \$200,000 Recovery to TVA

The OIG investigated allegations that a family-owned contractor company performing vegetation management services for TVA transmission/right-of-way maintenance overbilled TVA for services rendered.

Our investigation did not substantiate records falsification by the company, but did find billing discrepancies totaling \$635,328 in incorrectly invoiced overtime, leased equipment, and material costs on multiple occasions between July 2017 and January 2020. Specifically, our investigation determined this company incorrectly invoiced TVA for instances of overtime incurred by its personnel due to improper utilization of contract overtime rates. We additionally identified discrepancies regarding the billing of leased equipment operation, material costs, and bulk purchases.

As a result, TVA entered into a contract agreement with the company whereby TVA contractually is to recover \$200,000 of the total discrepancies cited in the investigation. In addition to recovery of funds, TVA will be able to continue working with this company, as is their desire, to maintain the small business relationship in the region.

## TVA OIG and TVA Police Conduct Joint Active Threat Training

In March of 2022, TVA OIG agents took part in Active Threat training conducted by OIG and TVA Police training staff. The purpose of the training was to prepare OIG agents to respond to active threat events they might encounter at TVA facilities or in their day-to-day lives. The idea for the training started when the two groups discussed their responses to a potential active threat event at TVA facilities. The discussions resulted in the conclusion that these responses should look more like a coordinated single response with law enforcement officers from both agencies working together. In anticipation of the training, OIG personnel took part in revising a TVA policy outlining OIG agent response to such events.

The TVA Police training unit was already developing training for its officers and agreed to work with the OIG to integrate agents into the training. The training began with basic tactics and discussion of active threat concepts culminating in the execution of multiple scenarios. Classes focused on concepts such as identifying stimulus/indicators, eliminating threats, and post event actions. Future training will take the form of integrating the two TVA law enforcement entities with OIG agents and TVA Police officers working side-by-side in multiple facets of training.

The initial portion of the training was a great success with agents exercising perishable skills and learning new tactics. It was also an opportunity for OIG agents to work together in multiple stressful environments, practicing tactics, and developing teamwork that could be necessary in an active shooter event. Many of the agents had never worked together in such an environment, and the experience built confidence in themselves and their fellow agents. As a result of the joint effort, the OIG and TVA Police continue to develop a partnership that will benefit both groups into the future.



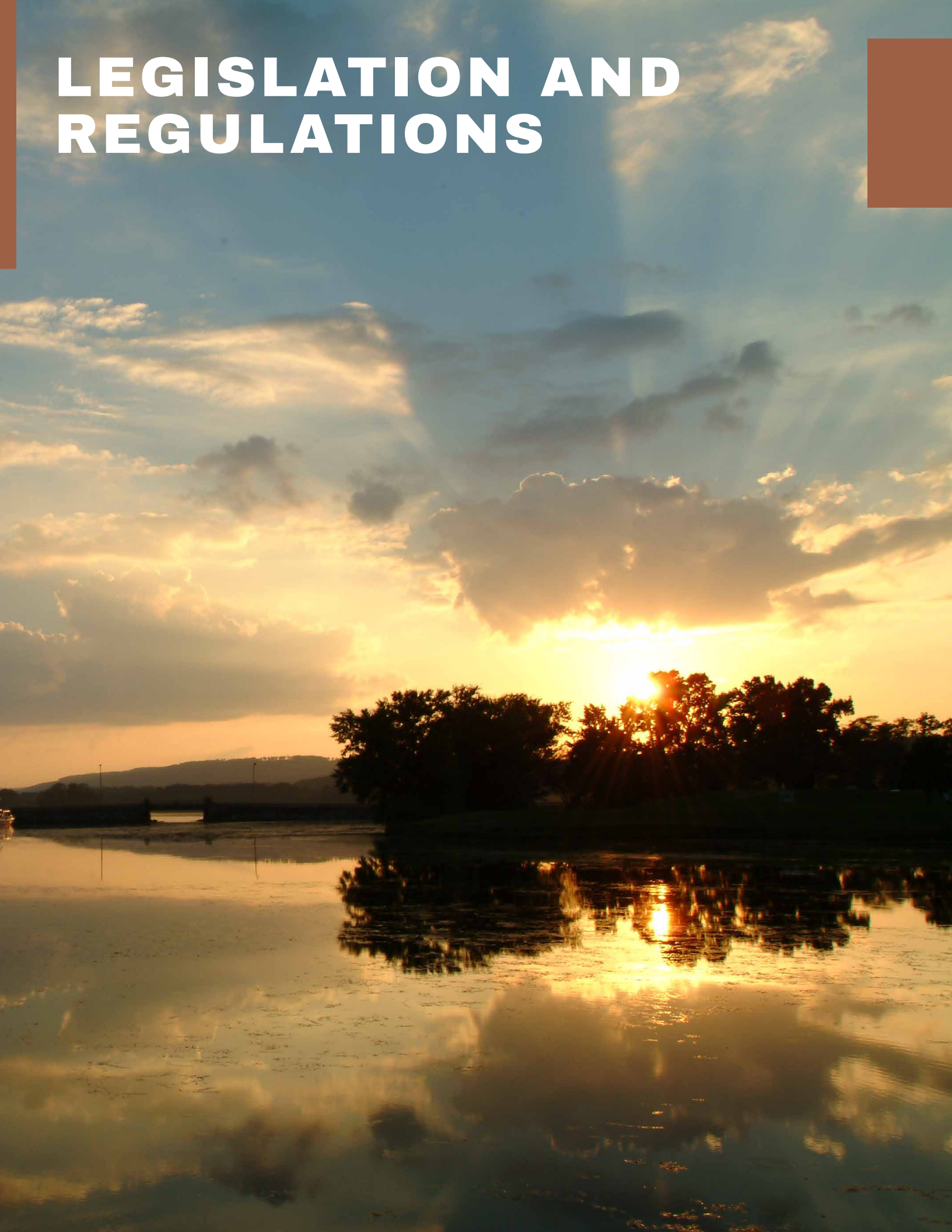
Raccoon Mountain Pumped-Storage Plant



# LEGISLATION AND REGULATIONS

*In this section of our semiannual report, it is our intent to address only current and pending legislation which relates to the economy or efficiency of TVA operations when we have recommendations or comments to make to Congress regarding the legislation. At times, we may direct recommendations to general positions and issues, particularly when there are multiple bills dealing with the issue. At other times, we anticipate making recommendations relating to particular statutes and bills and their particular wording.*

During this reporting period, we are not making any recommendations to Congress regarding current or pending legislation.



Chatuge Reservoir



INDEX OF REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT

REPORTING	REQUIREMENT	PAGE OR APPENDIX
Section 4(a)(2)	Review of legislation and regulations	32-33
Section 5(a)(1)	Significant problems, abuses, and deficiencies	14-31
Section 5(a)(2)	Recommendations with respect to significant problems, abuses, and deficiencies	14-31
Section 5(a)(3)	Recommendations described in previous semiannual reports on which corrective action has not been completed	Appendix 4
Section 5(a)(4)	Matters referred to prosecutive authorities and the prosecutions and convictions that have resulted	Appendix 5
Section 5(a)(5) and 6(b)(2)	Summary of instances where information was refused	None
Section 5(a)(6)	Listing of audit and evaluation reports	Appendix 2
Section 5(a)(7)	Summary of particularly significant reports	14-31
Section 5(a)(8)	Status of management decisions for audit and evaluation reports containing questioned costs	Appendix 3
Section 5(a)(9)	Status of management decisions for audit and evaluation reports containing recommendations that funds be put to better use	Appendix 3
Section 5(a)(10)	Summary of audit and evaluation reports issued prior to the beginning of the reporting period for which (a) no management decision had been made; (b) no management comment was received within 60 days of issuing the draft report; and (c) there were any unimplemented recommendations, including the aggregate potential cost savings of those recommendations, at the end of the reporting period <sup>1</sup>	None
Section 5(a)(11)	Significant revised management decisions	None
Section 5(a)(12)	Significant management decisions with which the Inspector General disagreed	None
Section 5(a)(13)	Information under Federal Financial Management Improvement Act of 1996	Not Applicable
Section 5(a)(14)	Results of any peer review conducted by another Office of the Inspector General during the reporting period, and if none, a statement of the date of the last peer review	Appendix 10
Section 5(a)(15)	List of outstanding recommendations from any peer review conducted by another Office of the Inspector General, including a statement describing the status of the implementation and why implementation is not complete	None

<sup>1</sup> We had no open audit or evaluation reports that met all of these requirements. However, Appendix 4 includes a list of all audits issued in previous semiannual periods on which corrective action has not been completed.



INDEX OF REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT  
(CONTINUED)

REPORTING	REQUIREMENT	PAGE OR APPENDIX
Section 5(a)(16)	List of any peer reviews conducted of another Office of the Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer review that remain outstanding or have not been fully implemented	Appendix 11
Section 5(a)(17)	Statistical table showing the total number during the reporting period of (a) investigative reports issued, (b) persons referred to the Department of Justice for criminal prosecution, (c) persons referred to state and local prosecuting authorities for criminal prosecution, and (d) indictments and criminal informations resulting from any prior referral to prosecuting authorities	Appendix 5
Section 5(a)(18)	Metrics used to develop the data in the statistical table pursuant to Section 5(a)(17)	Appendix 5
Section 5(a)(19)	Investigations in which allegations of misconduct involving a senior government employee <sup>2</sup> were substantiated	Appendix 6
Section 5(a)(20)	Instances of whistleblower retaliation, information about the official found to have engaged in retaliation, and consequences imposed, if any, to hold the official accountable	None
Section 5(a)(21)	Attempts to interfere with the independence of the Office of the Inspector General	None
Section 5(a)(22)(A)	Audit or evaluation that was closed and not disclosed to the public	None
Section 5(a)(22)(B)	Investigation involving a senior government employee that was closed and not disclosed to the public	Appendix 7

<sup>2</sup> Pursuant to Section 5(b)(7)(A) of the IG Act, as amended, senior government employee is defined as an officer or employee whose rate of basic pay is equal to or greater than 120 percent of the minimum rate of basic pay payable for GS-15 of the General Schedule.

OIG AUDIT REPORTS • ISSUED DURING THE SIX-MONTH PERIOD ENDED MARCH 31, 2022

Report Number and Date	Title	Questioned Costs	Unsupported Costs	Funds Put To Better Use
CONTRACT AUDITS				
2021-16906 10/18/2021	Airgas USA, LLC - Contract Nos. 5436 and 5456	\$891,340	\$0	\$0
2021-17249 12/01/2021	Vega Corporation of Tennessee - Contract No. 14626	191,856	0	0
2021-15788 02/03/2022	World Wide Technology, LLC - Contract No. 10786	42,353	0	0
2021-17310 02/08/2022	Proposal for Transmission Construction Services	0	0	783,000
2021-17307 02/09/2022	Proposal for Transmission Construction Services	0	0	2,200,000
2021-17309 02/09/2022	Proposal for Transmission Construction Services	0	0	3,500,000
2021-15787 02/23/2022	Jacobs Technology, Inc. - Contract No. 11163	504,063	0	0
FINANCIAL AND OPERATIONAL AUDITS				
2021-15794 11/02/2021	Corporate Contributions	\$0	\$0	\$0
2021-17331 11/16/2021	Agreed-Upon Procedures for TVA Fiscal Year 2021 Performance Measures	0	0	0
2021-15796 02/07/2022	Maintenance of TVA-Owned Gas Pipelines	0	0	0
INFORMATION TECHNOLOGY AUDITS				
2020-15723 11/10/2021	TVA Internet Perimeter Security	\$0	\$0	\$0
2021-17247 11/15/2021	2021 Federal Information Security Modernization Act	0	0	0
2021-15804 01/11/2022	Remote Application and Desktop Virtualization	0	0	0
TOTAL AUDITS (13)		\$1,629,612	\$0	\$6,483,000



OIG EVALUATION REPORTS • ISSUED DURING THE SIX-MONTH PERIOD ENDED MARCH 31, 2022  
(CONTINUED)

Report Number and Date	Title	Questioned Costs	Unsupported Costs	Funds Put To Better Use
EVALUATIONS				
2021-17259 10/07/2021	External Organizations Board Practice	\$0	\$0	\$0
2022-17339 03/09/2022	Gas and Hydro Human Performance Events	0	0	0
2021-15789 03/24/2022	Acquisition and Disposal of Real Property	0	0	0
ORGANIZATIONAL EFFECTIVENESS				
2021-17250 10/06/2021	Organizational Effectiveness - Lagoon Creek Combined Cycle	\$0	\$0	\$0
2021-17257 10/06/2021	Organizational Effectiveness - Lagoon Creek Combustion Turbine	0	0	0
2021-17251 11/23/2021	Organizational Effectiveness - Southaven Combined Cycle Plant	0	0	0
2021-17254 12/16/2021	Organizational Effectiveness - Browns Ferry Chemistry	0	0	0
TOTAL EVALUATIONS (7)		\$0	\$0	\$0

Note: A summary of or link to the full report may be found on the OIG’s Web site at <https://oig.tva.gov>.

TABLE I • TOTAL QUESTIONED AND UNSUPPORTED COSTS • AUDITS

Audit Reports	Number of Reports	Questioned Costs	Unsupported Costs
A. For which no management decision has been made by the commencement of the period	0	\$0	\$0
B. Which were issued during the reporting period	4	\$1,629,612	\$0
Subtotal (A+B)	4	\$1,629,612	\$0
C. For which a management decision was made during the reporting period	4	\$1,629,612	\$0
1. Dollar value of disallowed costs	4	\$1,629,612	\$0
2. Dollar value of costs not disallowed	0	\$0	\$0
D. For which no management decision has been made by the end of the reporting period	0	\$0	\$0

TABLE I • TOTAL QUESTIONED AND UNSUPPORTED COSTS • EVALUATIONS

Evaluation Reports	Number of Reports	Questioned Costs	Unsupported Costs
A. For which no management decision has been made by the commencement of the period	0	\$0	\$0
B. Which were issued during the reporting period	0	\$0	\$0
Subtotal (A+B)	0	\$0	\$0
C. For which a management decision was made during the reporting period	0	\$0	\$0
1. Dollar value of disallowed costs	0	\$0	\$0
2. Dollar value of costs not disallowed	0	\$0	\$0
D. For which no management decision has been made by the end of the reporting period	0	\$0	\$0





TABLE II • FUNDS TO BE PUT TO BETTER USE • AUDITS

Audit Reports	Number of Reports	Funds To Be Put To Better Use
A. For which no management decision has been made by the commencement of the period	0	\$0
B. Which were issued during the reporting period	3	\$6,483,000
Subtotal (A+B)	3	\$6,483,000
C. For which a management decision was made during the reporting period	0	\$0
1. Dollar value of recommendations agreed to by management	0	\$0
2. Dollar value of recommendations not agreed to by management	0	\$0
D. For which no management decision has been made by the end of the reporting period	3	\$6,483,000

TABLE II • FUNDS TO BE PUT TO BETTER USE • EVALUATIONS

Evaluation Reports	Number of Reports	Funds To Be Put To Better Use
A. For which no management decision has been made by the commencement of the period	0	\$0
B. Which were issued during the reporting period	0	\$0
Subtotal (A+B)	0	\$0
C. For which a management decision was made during the reporting period	0	\$0
1. Dollar value of recommendations agreed to by management	0	\$0
2. Dollar value of recommendations not agreed to by management	0	\$0
D. For which no management decision has been made by the end of the reporting period	0	\$0

RECOMMENDATIONS INCLUDED IN A PREVIOUS SEMIANNUAL REPORT AND AWAITING IMPLEMENTATION

At the end of the semiannual period, final corrective action was not complete on 78 recommendations associated with 11 audit and 8 evaluation reports issued in a prior period. Presented below for each audit and evaluation are the report number, date, and title, along with a brief description of action management agreed to take to resolve the open recommendation, including the date management expects to complete final action.

Audit Report Number and Date	Report Title and Actions Agreed to by Management to Resolve Recommendations
2020-15721 10/21/2020	<b>IT Contractor Access</b>  TVA agreed to develop processes to implement screening requirements for logical access and ensure contractors have required security clearances. TVA expects to complete final action by July 20, 2022.
2020-15709 12/21/2020	<b>2020 Federal Information Security Modernization Act</b>  TVA agreed to clarify contingency planning roles and responsibilities within the Information Technology departments and fill vacant roles as appropriate. TVA expects to complete final action by April 29, 2022.
2020-15720 05/18/2021	<b>Siemens Energy, Inc. - Contract No. 10092</b>  TVA agreed to (1) negotiate to amend contract language to include provisions that allow TVA to approve and/or agree to the time and material prices the contract requires it pay; (2) enter into negotiations to recover (a) \$30,523 in unsupported tool costs, (b) \$500,580 in costs not associated with Contract No. 10092, (c) \$17,425 in ineligible craft labor costs, (d) \$124,501 in ineligible per diem costs for craft personnel, (e) \$18,342 in overbilled noncraft labor costs, and (f) \$4,053 in other ineligible costs; and (3) coordinate with internal stakeholders and Siemens Energy, Inc., to identify and track credits on a quarterly basis. TVA expects to complete final action by May 18, 2022.
2020-15713 07/26/2021	<b>The L.E. Myers Company - Contract No. 9070</b>  TVA agreed to (1) pursue recovery of (a) \$93,695 in unsupported and incorrect craft labor costs, (b) \$13,955 in unsupported travel charges, and (c) \$12,502 in unsupported equipment costs; (2) require the contractor to submit an electronic billing file in the format and frequency required by the contract; and (3) revise the equipment rate schedule for any equipment approved subsequent to authorization of the original rate sheet. TVA expects to complete final action by July 26, 2022.
2021-15783 08/19/2021	<b>Federal Sustainability Report and Implementation Plan</b>  TVA agreed to require subject matter experts to incorporate data validation steps into the review of raw data sources used to calculate metrics in the Federal Sustainability Report and Implementation Plan. TVA expects to complete final action by August 19, 2022.
2020-15785 08/23/2021	<b>Contractor Use of Purchasing Cards</b>  TVA agreed to evaluate processes for identifying duplicate charges. TVA expects to complete final action by August 23, 2022.
2020-15701 09/14/2021	<b>Mesa Associates, Inc. - Contract No. 13191</b>  TVA agreed to (1) enter into negotiations to recover (a) \$147,045 in overbilled temporary living allowance and travel costs, (b) \$34,298 in ineligible subcontractor cost markups, (c) \$18,925 in excessive labor rates, (d) \$7,195 in overbilled fee, and (e) \$6,431 in volume rebates owed; and (2) encourage business partners to utilize the preferred cost-reimbursable pricing methodology as appropriate. TVA expects to complete final action by September, 14, 2022.



RECOMMENDATIONS INCLUDED IN A PREVIOUS SEMIANNUAL REPORT AND AWAITING IMPLEMENTATION (CONTINUED)

Audit Report Number and Date	Report Title and Actions Agreed to by Management to Resolve Recommendations
2020-15725 09/16/2021	<b>Black &amp; Veatch Construction, Inc. (B&amp;V) - Contract No. 10820</b>  TVA agreed to (1) investigate payments made for (a) excessive travel expenses and ineligible temporary living allowances, (b) unapproved overtime, and (c) incorrect hourly labor rates and seek to recover any costs either not billed in accordance with the contract or not approved; (2) amend Contract No. 10820 to include compensation language that clarifies additional expenses are allowable with TVA's approval; (3) use the TVA/B&V master service agreement billing methodologies going forward to allow TVA more visibility of B&V markups; (4) continue to encourage business partners to utilize the preferred cost-reimbursable pricing methodology as appropriate; (5) recommend including language in the contract for submission of timely invoices; and (6) take steps to ensure B&V submits electronic billing files to the OIG. TVA expects to complete final action by September 16, 2022.
	<b>TVA's Privacy Program</b>  TVA agreed to (1) evaluate implementing technical controls for removable media and (2) review identified gaps in TVA's privacy policies and make a risk determination on policy inclusion. TVA expects to complete final action by August 29, 2022.
2021-15779 09/20/2021	<b>Privileged Account Management</b>  TVA agreed to (1) establish reviews of privileged groups by group owners to ensure accurate group membership; (2) review gaps in best practices and incorporate into TVA Standard Programs and Processes (SPP); and (3) review Technology & Innovation owned primary accounts and ensure alignment with TVA-SPP-12.003, <i>IT Account Management</i> . TVA expects to complete final action by November 18, 2022.
2021-15778 09/24/2021	<b>Windows® Desktop and Laptop Patching</b>  TVA agreed to update/create processes and generate reports to identify and address Windows® devices that are not managed by TVA's automated patching system. TVA expects to complete final action by October 31, 2022.

RECOMMENDATIONS INCLUDED IN A PREVIOUS SEMIANNUAL REPORT AND AWAITING IMPLEMENTATION (CONTINUED)

Evaluation Report Number and Date	Report Title and Actions Agreed to by Management to Resolve Recommendations
2019-15642 07/15/2020	<b>Power Operations Arc Flash Protection</b>  TVA agreed to implement (1) a plan to perform an arc flash hazard analysis for the required 5-year baseline and (2) a control to ensure arc flash hazard analyses contain all updated calculations. TVA expects to complete final action by September 30, 2022.
2021-15790 04/20/2021	<b>Organizational Effectiveness - Johnsonville Combustion Turbine</b>  TVA agreed to address resource-related risks pertaining to training. TVA expects to complete final action by May 31, 2022.
2020-15750 07/08/2021	<b>Strategic Real Estate Plan</b>  TVA agreed to (1) implement a strategic real estate guiding document intended to reduce TVA's footprint, align with business, and consolidate the agency's real estate assets into more centralized, core facilities; (2) communicate and reinforce that real property requests and decisions flow through the established governance framework and procedures; (3) continue to refine and improve the accuracy and completeness of the building database; and (4) work with TVA's Technology and Innovation group to seek improvements and/or new opportunities to have a more comprehensive and all-inclusive database. TVA expects to complete final action by July 8, 2022.
2020-15754 07/20/2021	<b>Coal Plant Industrial Hygiene</b>  TVA agreed to (1) document the process, tools, and expertise used to monitor and control significant health hazards at retiring plants until ownership is transferred to Generation Construction; (2) review prior silica sampling based on work activities to determine if gaps exist at TVA's generating coal plants; (3) reinforce the need to document exposure investigations; (4) include signed employee exposure letters in employee medical files; (5) document the process, tools, and expertise used by the Industrial Hygiene (IH) program manager to conduct hazard identification, risk evaluation, and prioritization of health hazards; (6) conduct an evaluation to determine if IH staffing levels are appropriate; (7) revise TVA-TSP-18.900, <i>Implement Industrial Hygiene Activities</i> , to (a) document the current process and incorporate relevant changes and (b) align with regulatory language to address written notice to employees of actions taken to address exposures; (8) update TVA's Safety Procedure to (a) identify when TVA should receive IH exposure assessments issued to contractors and (b) clarify the contractor is responsible for IH exposure assessments for contractor employees; and (9) determine the best method of monitoring how contractors are fulfilling the contractual obligations to address adverse conditions identified in IH exposure assessments. TVA expects to complete final action by October 1, 2022.
2020-15768 08/02/2021	<b>Transmission and Power Supply Arc Flash Protection</b>  TVA agreed to (1) review all Transmission and Power Supply (TPS) sites to identify which ones require arc flash hazard analyses; (2) ensure periodic reviews of arc flash hazards occur according to the cadence outlined in TVA's <i>Arc Flash Protection</i> procedure; (3) implement a plan to evaluate and make arc flash hazard warning labels legible; (4) require verification of arc flash calculations for hazard analyses and record the calculations in TVA's Enterprise Content Management system; and (5) review the list of job codes assigned the arc flash curriculum training for completeness and accuracy. TVA expects to complete final action by August 2, 2022.



RECOMMENDATIONS INCLUDED IN A PREVIOUS SEMIANNUAL REPORT AND AWAITING IMPLEMENTATION (CONTINUED)

Evaluation Report Number and Date	Report Title and Actions Agreed to by Management to Resolve Recommendations
2020-15756 08/20/2021	<b>Hydro Plant Industrial Hygiene</b>  TVA agreed to (1) perform a formal, documented risk assessment of health hazards at hydro plants; (2) conduct IH assessments of hydro sites that had limited or no coverage since January 1, 2017; (3) determine the appropriate assessment cycle frequency for hydro plants; (4) monitor the effectiveness of the IH program to include the alignment of IH plans and exposure assessments; (5) evaluate the broad job responsibilities and duties of IH and determine if staffing levels are appropriate; (6) complete actions to address employee identified issues related to: (a) asbestos at Apalachia Hydro, (b) gas smell at Nottely Hydro, and (c) mold at Raccoon Mountain; (7) include signed exposure letters in employee medical files; (8) revise TVA's Safety Procedure, <i>Implement Industrial Hygiene Activities</i> , to identify when TVA should receive IH exposure assessments issued to contractors as well as define associated responsibilities for any adverse conditions identified in such reports; (9) review TVA's contract oversight procedures and determine the best method of periodically monitoring how contractors are fulfilling their contractual obligations to address adverse conditions. TVA expects to complete final action by October 1, 2022.
	<b>Gas Plant Industrial Hygiene</b>  TVA agreed to (1) perform a formal, documented risk assessment of health hazards at gas plants; (2) determine the appropriate assessment cycle frequency for gas plants; (3) periodically monitor the effectiveness of the IH program; (4) evaluate the broad job responsibilities and duties of IH and determine if staffing levels are appropriate; (5) conduct more assessments during outages and special projects when most hazards identified in the plans could be present; (6) include signed exposure letters in employee medical files; (7) revise TVA's Safety Procedure, <i>Implement Industrial Hygiene Activities</i> , to identify when TVA should receive IH exposure assessments issued to contractors as well as define associated responsibilities for any adverse conditions identified in such reports; and (8) review TVA's contract oversight procedures and determine the best method of periodically monitoring how contractors are fulfilling their contractual obligations to address adverse conditions. TVA expects to complete final action by October 1, 2022.
2021-15801 09/21/2021	<b>Organizational Effectiveness - Transmission - North Maintenance</b>  TVA agreed to address resource concerns related to equipment and tools. TVA expected to complete final action by March 31, 2022.

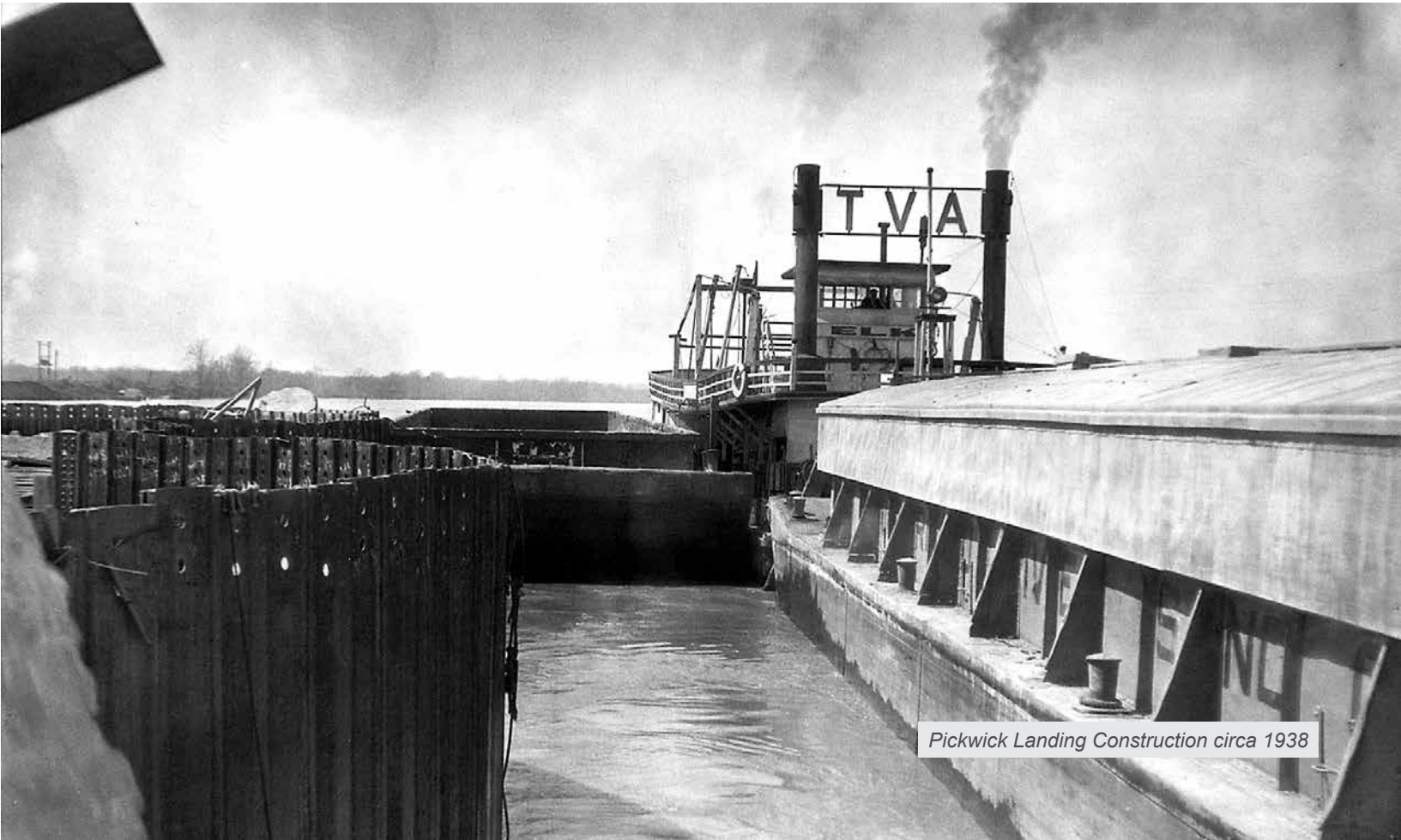
INVESTIGATIVE REFERRALS AND PROSECUTIVE RESULTS

Referrals	
Reports Issued to TVA Management	9
Subjects Referred to U.S. Attorneys	6
Subjects Referred to State/Local Authorities	0
Results	
Subjects Indicted	2
Subjects Convicted	2
Pretrial Diversions	1
Federal Referrals Declined	2
State/Local Referrals Declined	0

**Metrics:** Reports issued to TVA management are comprised of formal written reports and, when appropriate, e-mailed summaries conveying the findings of a completed investigation.

The number of indictments does not include sealed indictments or superseding indictments of the same individual already reported in this or a prior semiannual report.

These numbers may include task force activities and joint investigations with other agencies.



Pickwick Landing Construction circa 1938



SUBSTANTIATED INVESTIGATIONS INVOLVING SENIOR AGENCY OFFICIALS

Case No.	Allegation and Disposition
21-0135	It was alleged a TVA manager contacted two former subordinate contractor employees, recommending that the three of them open a company that could do business with TVA. One of the former contractors was female, and the manager stated she could be used as a “front” to obtain minority-owned business status, which would put the company in a favorable position to conduct business with TVA. The manager would then use his position at TVA to do business with the company while quietly profiting from the arrangement. It was additionally alleged he threatened to have one of the individuals fired if he/she did not agree to the plan, and he used abusive, inappropriate language when in contact with the two individuals.
	Substantiated. A Report of Administrative Inquiry with our findings was forwarded to TVA management. As a result, the manager’s physical access privileges were revoked; his employment was subsequently terminated; and his personnel record bears a restriction on future TVA employment. He also was denied a substantial portion of an expected performance payout for the fiscal year. This matter was referred to the U.S. Attorney’s Office, which declined prosecution.

**Metrics:** This appendix describes closed, substantiated investigations involving subjects specified by the IG Empowerment Act (salaried at 120 percent of GS-15 Level One). TVA does not operate on the GS scale, so all persons in this salary range, though included here, are not necessarily executive-level employees. Corollary to this, not all persons with substantial managerial duties are included here, based on their salaries.

PREVIOUSLY UNDISCLOSED INVESTIGATIONS INVOLVING SENIOR AGENCY OFFICIALS

Case No.	Allegation and Disposition
20-0103	A TVA executive is manipulating staffing and workloads to justify hiring a contractor company whose costs, in the millions, will be approximately five times the cost of TVA employees performing the same work. Unsubstantiated.
21-0058	A TVA executive appears to be responsible for a contractor company's growing presence in TVA interactions and its seeming impunity to bill hours to TVA with no clear oversight. Unsubstantiated.
21-0115	A TVA manager shared bid prices to competitors and bullies and harasses TVA and contractor employees. Unsubstantiated.
22-0018	A TVA manager may have provided false statements on federal documentation. Unsubstantiated.
22-0035	A TVA manager improperly manipulated a contract-award process. Unsubstantiated

**Metrics:** This appendix describes any closed investigations, not disclosed to the public, involving subjects specified by the IG Empowerment Act (salaried at 120 percent of GS-15 Level One). TVA does not operate on the GS scale, so all persons in this salary range, though included here, are not necessarily executive-level employees. Corollary to this, not all persons with substantial managerial duties are included here, based on their salaries.



Fort Loudoun Lake



HIGHLIGHTS - STATISTICS

	MAR 31, 2022	SEPT 30, 2021	MAR 31, 2021	SEPT 30, 2020	MAR 31, 2020
AUDITS					
AUDIT STATISTICS					
Carried Forward	20	20	15	18	16
Started	12	14	14	17	11
Canceled	(0) <sup>1</sup>	(2)	(0) <sup>2</sup>	(0)	(0)
Completed	(13)	(12)	(8)	(20)	(9)
In Progress at End of Reporting Period	18	20	20	15	18
AUDIT RESULTS (Thousands)					
Questioned Costs	\$1,630	\$13,458	\$23	\$10,876	\$1,084
Disallowed by TVA	\$1,630	\$8,425	\$23	\$5,024	\$1,084
Recovered by TVA	\$102	\$395	\$607 <sup>3</sup>	\$74	\$0
Funds to Be Put to Better Use	\$6,483	\$9,700	\$3,455	\$21,932	\$849
Agreed to by TVA	\$0	\$9,700	\$17,135 <sup>4</sup>	\$8,252	\$849
Realized by TVA	\$0	\$2,240	\$5,779	\$2,931	\$246
OTHER AUDIT-RELATED PROJECTS					
Completed	5	8	6	7	5
Cost Savings Identified/Realized	\$292	\$0	\$0	\$0	\$0
EVALUATIONS					
Completed	7	13	7	14	10
Cost Savings Identified/Realized (Thousands)	\$0	\$0	\$0	\$0	\$0
SPECIAL PROJECTS					
Completed	0	0	1	0	1
INVESTIGATIONS <sup>5</sup>					
INVESTIGATION CASELOAD					
Opened	79	74	75	63	95
Closed	79	83	90	92	96
In Progress at End of Reporting Period	73	73 <sup>6</sup>	87	106	137
INVESTIGATIVE RESULTS (Thousands)					
Recoveries	\$447.4	\$7,357.7 <sup>7</sup>	\$2,056.1	\$4.2	\$93.4
Projected Savings	\$63.1	\$0	\$1,144.1	\$0	\$0
Fines/Penalties/Fees	\$175.4	\$0.6	\$0.3	\$0	\$0.1
Waste/Other Monetary Loss	\$506.2	\$2,887.0	\$429.4	\$0	\$62.4
Forfeiture(s) Ordered - Criminal	\$0	\$1,750.0	\$0	\$0	\$0
Forfeiture(s) Ordered - Civil	\$0	\$0	\$0	\$0	\$0
MANAGEMENT ACTIONS					
Disciplinary Actions Taken (Number of Subjects)	4	4	9	3	2
Counseling/Management Techniques Employed (Number of Cases)	12	11	13	12	13
Debarments	0	0	0	0	0
PROSECUTIVE ACTIVITIES (Number of Subjects)					
Referred to U.S. Attorneys	6	11	4	8	7
Referred to State/Local Authorities	0	5	0	2	4
Indicted	2	7	1	3	4
Convicted	2	1	1	1	2
Pretrial Diversions	1	0	1	0	0

<sup>1</sup> One project was postponed during the period.

<sup>2</sup> Ibid.

<sup>3</sup> Includes amounts agreed to in a prior period.

<sup>4</sup> Ibid.

<sup>5</sup> These numbers may include task force activities and joint investigations with other agencies.

<sup>6</sup> Adjusted from previous period.

<sup>7</sup> Includes \$6,775,896 court-ordered restitution to other federal and state entities resulting from a multi-agency investigation.

GOVERNMENT CONTRACTOR AUDIT FINDINGS

The National Defense Authorization Act for Fiscal Year 2008, P.L. 110-181, requires each Inspector General appointed under the Inspector General Act of 1978 to submit an appendix on final, completed contract audit reports issued to the contracting activity that contain significant audit findings—unsupported, questioned, or disallowed costs in an amount in excess of \$10 million, or other significant findings—as part of the Semiannual Report to Congress. During this reporting period, the Office of the Inspector General issued no contract review reports under this requirement.





PEER REVIEWS OF THE TVA OIG

Audits Peer Review

Inspector General audit organizations are required to undergo an external peer review of their system of quality control at least once every three years, based on requirements in the *Government Auditing Standards*. Federal audit organizations can receive a rating of pass, pass with deficiencies, or fail. The Tennessee Valley Authority (TVA) Office of the Inspector General (OIG) underwent its most recent peer review of its audit organization for the period ended September 30, 2019. This review was performed by the Pension Benefit Guaranty Corporation OIG. The Pension Benefit Guaranty Corporation OIG issued its report, dated March 10, 2020, in which it concluded the system of quality control for the audit organization of TVA OIG in effect for the year ended September 30, 2019, has been suitably designed and complied with to provide TVA OIG with reasonable assurance of performing and reporting in conformity with applicable professional auditing standards in all material respects. Accordingly, the TVA OIG received a rating of pass. There are no outstanding recommendations from this review. The peer review report is posted on our Web site at [https://oig.tva.gov/peer\\_reports.html](https://oig.tva.gov/peer_reports.html).

Evaluations Peer Review

Inspector General organizations that conduct evaluations in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation* (Blue Book) are required to undergo an external peer review every three years. The TVA OIG underwent its first peer review of its evaluation organization. The peer review covered the period ended December 31, 2019, and was led by the Department of Labor OIG. The Department of Labor OIG issued its report, dated May 28, 2020, in which it determined the (1) TVA OIG's internal policies and procedures generally met the seven Blue Book standards addressed in the peer review and (2) TVA OIG reports reviewed met the covered Blue Book standards and complied with TVA OIG's internal policies and procedures. The peer review report is posted on our Web site at [https://oig.tva.gov/peer\\_reports.html](https://oig.tva.gov/peer_reports.html).

Investigations Peer Review

Investigative Operations undergoes a Quality Assessment Review at least once every three years. The Corporation for National & Community Service (CNCS) OIG completed a Quality Assessment Review of TVA OIG Investigative Operations on May 31, 2019. CNCS OIG found “. . . the system of internal safeguards and management procedures for the investigative function of TVA-OIG in effect for the period ending December 31, 2018, was in compliance with the quality standards established by CIGIE and the applicable Attorney General Guidelines. . . .” This confirmation is posted on our Web site at [https://oig.tva.gov/reports/2019\\_Investigations\\_Peer\\_Review.pdf](https://oig.tva.gov/reports/2019_Investigations_Peer_Review.pdf).

PEER REVIEWS OF ANOTHER OIG

Audits Peer Review

The Tennessee Valley Authority Office of the Inspector General (OIG) initiated a peer review of the Federal Deposit Insurance Corporation (FDIC) OIG evaluation operations. OIGs that conduct inspections and evaluations in accordance with Council of the Inspectors General on Integrity and Efficiency (CIGIE) *Quality Standards for Inspection and Evaluation* (Blue Book) must undergo an external peer review every three years. The CIGIE peer review program is designed to ensure compliance with Blue Book standards. We anticipate issuing our report prior to September 30, 2022.



Tennessee River Near Huntsville, Alabama



# GLOSSARY



## Disallowed Cost

A questioned cost that management, in a management decision, has sustained or agreed should not be charged to the agency.

## Final Action

The completion of all management actions, as described in a management decision, with respect to audit findings and recommendations. When management concludes no action is necessary, final action occurs when a management decision is made.

## Funds To Be Put To Better Use

Funds which the OIG has disclosed in an audit report that could be used more efficiently by reducing outlays, deobligating program or operational funds, avoiding unnecessary expenditures, or taking other efficiency measures.

## Information

A formal accusation of a crime made by a prosecuting officer as distinguished from an indictment presented by a grand jury.

## Management Decision

Evaluation by management of the audit findings and recommendations and the issuance of a final decision by management concerning its response to such findings and recommendations.

## Questioned Cost

A cost the Inspector General questions because (1) of an alleged violation of a law, regulation, contract, grant, cooperative agreement, or other document governing the expenditure of funds; (2) such cost is not supported by adequate documentation; or (3) the expenditure of funds for the intended purposes was unnecessary or unreasonable.

## Unsupported Cost

A cost that is questioned because of the lack of adequate documentation at the time of the audit.





# ABBREVIATIONS & ACRONYMS

THE FOLLOWING ARE ACRONYMS AND ABBREVIATIONS WIDELY USED IN THIS REPORT.

B&V .....	Black & Veatch Corporation
BFN .....	Browns Ferry Nuclear Plant
Blue Book .....	Quality Standards for Inspection and Evaluation
CIGIE.....	Council of the Inspectors General on Integrity and Efficiency
CMS .....	Corrosion Monitoring Services
CNCS .....	Corporation for National & Community Service
Contributions policy .....	Corporate Contributions Policy
DME.....	Durable Medical Equipment
FDIC .....	Federal Deposit Insurance Corporation
FISMA.....	Federal Information Security Modernization Act
FY .....	Fiscal Year
GTP .....	Gas Transmission Pipelines
IG .....	Inspector General
IH .....	Industrial Hygiene
ISP.....	Information Security Program
IT .....	Information Technology
LCCC.....	Lagoon Creek Combined Cycle Plant
LCCT .....	Lagoon Creek Combustion Turbine Plant
Miller Electrical .....	Miller Electrical Contractors, Inc.
OIG.....	Office of the Inspector General
SCC.....	Southaven Combined Cycle Plant
SPP .....	Standard Programs and Processes
TPS.....	Transmission and Power Supply
TVA.....	Tennessee Valley Authority
UGs .....	User Guides
WP.....	Winning Performance





## Office of the Inspector General

400 West Summit Hill Drive  
Knoxville, Tennessee 37902

The OIG is an independent organization charged with conducting audits, evaluations, and investigations relating to TVA programs and operations, while keeping the TVA Board and Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations.

The OIG focuses on (1) making TVA's programs and operations more effective and efficient; (2) preventing, identifying, and eliminating waste, fraud, and abuse and violations of laws, rules, or regulations; and (3) promoting integrity in financial reporting.

If you would like to report to the OIG any concerns about fraud, waste, or abuse involving TVA programs or violations of TVA's Code of Conduct, you should contact the OIG EmPowerline, TVA OIG's hotline. The EmPowerline can be reached 24 hours a day, seven days a week, either by a toll-free phone call (1-855-882-8585) or over the Web ([www.oigempowerline.com](http://www.oigempowerline.com)). A third-party contractor will take your call or online concern and immediately forward it to OIG personnel. You may report your concerns anonymously or you may request confidentiality.



# EmPowerline<sup>®</sup>

**A hotline for reporting anonymous  
and confidential concerns**

**[www.oigempowerline.com](http://www.oigempowerline.com)  
Toll-Free 855-882-8585**



**We investigate fraud, waste, and abuse in TVA programs and operations.  
Examples include:**

- Contract Fraud
- Environmental Crimes
- Healthcare/Prescription Drug Fraud
- Employee Misconduct
- Conflict of Interest
- Workers' Compensation Fraud

## Whistleblower Protection

Educates TVA employees about prohibitions on retaliation for protected disclosures, as well as the rights and remedies of employees who have been subjected to workplace retaliation for making protected disclosures. E-mails may be directed to: [whistleblowercoordinator@tvaig.gov](mailto:whistleblowercoordinator@tvaig.gov).





Kingston Fossil Plant



## *TVA OIG VALUES*

We are a high performing work team that achieves OIG strategic objectives through operational excellence and modeling our values and behaviors every day.

- Independence
- Integrity
- Accountability
- Trusting Relationships
- Effective Communication
- Continuous Improvement





**Office of the Inspector General**  
**TENNESSEE VALLEY AUTHORITY**  
**Semiannual Report**  
**October 1, 2021 - March 31, 2022**