

REQUEST FOR RECORDS DISPOSITION AUTHORITY		VE BLANK (NARA use only)	
TO NATIONAL ARCHIVES and RECORDS ADMINISTRATION (NIR) WASHINGTON, DC 20408		JOB NUMBER <i>NI-142-04-8</i>	
1 FROM (Agency or establishment) Tennessee Valley Authority		DATE RECEIVED <i>8/24/2004</i>	
2 MAJOR SUBDIVISION Chief Financial Officer and Financial Services		NOTIFICATION TO AGENCY	
3 MINOR SUBDIVISION Risk Management		In accordance with the provision of 44 U.S.C. 3303a the disposition request, including amendments, is approved except for may items that be marked "disposition not approved" or "withdrawn" in column to	
4 NAME OF PERSON WITH WHOM TO CONFER Kal Chatterjee	5 TELEPHONE 865-632-3622	DATE <i>12/2/04</i> ARCHIVIST OF THE UNITED STATES <i>Allen Weinstein</i>	
6 AGENCY CERTIFICATION I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed on the attached (pages) page(s) are not now needed for the business of this agency or will not be needed after the retention periods specified, and that written concurrence from the General Accounting Office, under the provisions of Title 8 of the GAO Manual for Guidance of Federal Agencies, <input checked="" type="checkbox"/> is not required; <input type="checkbox"/> is attached, or <input type="checkbox"/> has been requested			
DATE May 25, 2004	SIGNATURE OF AGENCY REPRESENTATIVE <i>Mary H. Hagland</i>	TITLE Records Management and Systems	
7. ITEM NO.	8. DESCRIPTION OF ITEM AND PROPOSED DISPOSITION	9. GRS OR SUPERSEDED JOB CITATION	10. ACTION TAKEN (NARA USE ONLY)
1	Risk Analysis and Risk Management Records <i>(See attached)</i>		
<i>cc Agency, NR, NRC</i>			

Risk Analysis and Risk Management System

The Risk Management Organization's responsibilities include ensuring TVA is aware of potential risks and the options available to mitigate those risks. Some of TVA's risks include: electricity price risk, fuel price risk, interest rate and foreign currency risk, credit risk, investment portfolio risk, and insurable operational risks.

TVA's Risk Management function is to provide value to TVA's business units by providing risk alternatives, risk awareness, tools and techniques for achievement of the business unit's objectives.

The system used to provide the function is called KW3000 developed by the company KWI. The purpose of the system is to manage portfolio. TVA began using KW3000 in 2002. There was a similar system, Power Savant that was used prior to implementing KW3000. Records both electronic and hard copies are dated back to 1997. Input records are generated within TVA except for Broker Quotes which come from websites and brokers. These quotes are for TVA as well as other utilities.

All records generated by Risk Management Organization are business sensitive.

1. Inputs

BROKER QUOTES

It includes market prices quoted daily from brokers and websites and actual prices fed in the book (Gas, Electricity, SO₂ and NO_x)

TRANSACTION COVER SHEETS

It includes details of all purchases and sales made by BPT (Gas and Electricity)

REBOOKING RECORDS

It includes weekly and monthly generation numbers input into the book to reflect current expected generation for the entire TVA system (gas and Electricity)

Risk Analysis and Risk Management Record (Continued)

1. **Inputs** (Continued)

DISPOSITION: Temporary. Destroy after the information has been converted to an electronic medium and verified, or when no longer needed to support the reconstruction of, or serve as the backup to, the master file, whichever is later. *GRS*

(GRS 20, Item 2A)

2. **Master file:** Broker quotes, transaction coversheets, rebooking records are included. The system contains records that date back to 1997.

DISPOSITION: Temporary. Delete 10 years after date of report, as required by FERC as published in 18 CFR Section 125.3 Item 61 (a).

*see e-mail
of 9-20-05*

3. **Outputs** (Paper)

EXPOSURE REPORTS

It includes daily records of physical and financial volume and the Mark to Market value of pricing changes (Gas and Electricity)

OPTION PROFIT/LOSS REPORTS

It includes face value, delta and gamma values and the Mark to Market value of pricing changes (Gas, Electricity, SO₂ & NO_x)

MONTHLY PRICE REPORTS

It includes monthly prices in book for TVA, Cinergy and Entergy (Gas and Electricity)

MONTHLY SENSITIVE CURVES

It includes graph of current portfolio value and the impact of possible price movements (Electricity).

VALUE AT RISK REPORTS

It includes daily reports containing current position, market price, volatilities, and amount of total portfolio value exposed to market price risk (Gas and Electricity).

COUNTERPARTY EXPOSURE REPORTS

It includes weekly list of all counterparties having current deals with TVA and the Mark to Market value they have in the portfolio.

Risk Analysis and Risk Management Records (Continued)

3. **Outputs** (Electronic Records)

Value at Risk Reports

Microsoft access files containing daily Microsoft Excel spreadsheets generated by Power Savant Book dating back as far as 1999 (Gas and Electricity).

Value at Risk Reports

Folder containing daily 5x16, weekly 7x24, and other ad hoc excel spreadsheets generated by KW 3000 dating back as far as 2002 (Electricity).

Transactions

Microsoft Excel file listing all transaction numbers, dates, amounts, counterparties, and prices dating back as far as 2000 (Gas and Electricity).

DISPOSITION:

Hardcopy reports. Temporary. Destroy 10 years after date of report, as required by FERC as published in 18 CFR Section 125.3 Item 61 (a).

*see e-mail
of 9-20-05*

Risk Analysis and Risk Management Records (Continued)

3. Outputs (Electronic Records)

DISPOSITION:

Electronic Records: Destroy 10 years after date of report, as required by FERC as published in 18 CFR Section 125.3 Item 6I (a).

4. **System Documentation**

- a. Codebooks, record layout, and other system documentation.

Disposition: Temporary. Destroy when no longer needed to read any information generated by any old software.

- b. Word processing and email copies of records covered by item 4.a. of this schedule.

Disposition: Temporary. Delete when recordkeeping copy is produced.