

Tennessee Valley Authority
Form 10-K/A
December 21, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 10-K/A
AMENDMENT NO. 1
to Annual Report on Form 10-K for the Fiscal Year
Ended September 30, 2007**

(MARK ONE)

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

For the fiscal year ended September 30, 2007

OR

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

For the transition period from _____ to _____

Commission file number 000-52313

TENNESSEE VALLEY AUTHORITY

(Exact name of registrant as specified in its charter)

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

62-0474417
*(I.R.S. Employer Identification
No.)*

400 W. Summit Hill Drive
Knoxville, Tennessee
*(Address of principal executive
offices)*

37902
(Zip Code)

(865) 632-2101

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13, Section 15(d), or Section 37 of the Securities Exchange Act. Yes [] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13, 15(d), or 37 of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Securities Exchange Act. (Check one): Large accelerated filer [] Accelerated filer [] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act). Yes [] No [X]

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Explanatory Note

This Amendment No. 1 on Form 10-K/A to the Annual Report on Form 10-K (the "Annual Report") for the fiscal year ended September 30, 2007, is being filed to clarify that certain deficiencies in TVA's disclosure controls and procedures identified in Item 9A of the original Annual Report were not material weaknesses or significant deficiencies. Unless specifically noted herein, this Form 10-K/A does not reflect events occurring after December 12, 2007, the date the original Annual Report was filed. Any information not affected by the amendment is unchanged and reflects the disclosures made at the time the original Annual Report was filed.

ITEM 9A. CONTROLS AND PROCEDURES

An evaluation has been performed under the supervision of TVA management (including the president and chief executive officer) and members of the disclosure control committee (including the chief financial officer and the vice president and controller) of the effectiveness of the design and operation of TVA's disclosure controls and procedures as of September 30, 2007. Based on that evaluation, the president and chief executive officer and members of the disclosure control committee (including the chief financial officer and the vice president and controller) concluded that TVA's disclosure controls and procedures were effective as of September 30, 2007, to ensure that information required to be disclosed in reports TVA files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms. This includes controls and procedures designed to ensure that such information is accumulated and communicated to TVA management, including the president and chief executive officer, the disclosure control committee, and the chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

During the preparation of the Annual Report on Form 10-K, TVA did, however, determine that certain information which was required to be included in Current Reports on Form 8-K or as exhibits to periodic reports was not so included. This information concerned executive compensation, executive employment, and the renewal of credit facilities. The majority of the relevant information was, however, disclosed by TVA in other reports filed by TVA with the SEC during the year. These matters are disclosed in greater detail in the Current Report on Form 8-K filed by TVA on December 11, 2007, and in the Annual Report on Form 10-K. The failures were the result of control deficiencies and human error. The control deficiencies were not material weaknesses or significant deficiencies. TVA has identified improvements to its disclosure controls, which involve both additional controls and additional training. TVA has begun to implement these improvements.

TVA management believes that a control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company can be detected.

TVA's controls and procedures are designed to provide reasonable, but not absolute, assurance that the objectives will be met. It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

During the most recent fiscal quarter, there were changes in TVA's internal control over financial reporting that have materially affected TVA's internal control over financial reporting. In particular, TVA completed the remediation of material internal control weaknesses related to (1) TVA's end-use billing arrangements with wholesale power customers and (2) the completeness, accuracy, and authorization of TVA's property, plant, and equipment transactions

and balances, the calculation of AFUDC, and the review of construction work in progress accounts for proper closure to completed plant.

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ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents have been filed as part of this Amendment No. 1 on Form 10-K/A to the Annual Report on Form 10-K for the fiscal year ended September 30, 2007:

(3) List of Exhibits

Exhibit No. Description

| | |
|------|--|
| 31.1 | Rule 13a-14(a)/15d-14(a) Certification Executed by the Chief Executive Officer |
| 31.2 | Rule 13a-14(a)/15d-14(a) Certification Executed by the Chief Financial Officer |

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SIGNATURES

Pursuant to the requirements of Section 13, 15(d), or 37 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 21, 2007
(Registrant)

TENNESSEE VALLEY AUTHORITY

By: /s/ Tom D. Kilgore
Tom D. Kilgore
President and Chief Executive Officer

EXHIBIT INDEX

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