



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



August 28, 2026

TO: Ben R. Wagner
Inspector General of the Tennessee Valley Authority

FROM: T. March Bell 
Inspector General

SUBJECT: OIG Final Report: *Tennessee Valley Authority External CIGIE Peer Review*,
OEI-07-26-00240

The attached final report *Tennessee Valley Authority External CIGIE Peer Review* provides the results of our evaluation. This report contains no recommendations.

If you have questions or comments about this report, please do not hesitate to contact me, or your staff may contact Michael Novello at Michael.Novello@oig.hhs.gov. Please refer to report number OEI-07-26-00240 in all correspondence.

Attachment



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



External Peer Review Report

August 28, 2026

To: Ben R. Wagner, Inspector General of the Tennessee Valley Authority

We reviewed the system of quality control for the Tennessee Valley Authority Office of Inspector General, Office of Audits and Evaluations, in effect for the year ended March 31, 2026. A system of quality control includes multiple aspects of an organization, including, but not limited to, policies and procedures designed to provide reasonable assurance of complying with the Council of the Inspectors General on Integrity and Efficiency's (CIGIE's) *Quality Standards for Inspection and Evaluation*, December 2020 (Blue Book).

In our opinion, the system of quality control for the Tennessee Valley Authority Office of Inspector General in effect for the year ended March 31, 2026, has been suitably designed and complied with to provide the Department of Health and Human Services Office of Inspector General with reasonable assurance of performing and reporting in conformity with the Blue Book.

Inspection and Evaluation (I&E) organizations can receive a rating of pass, pass with deficiencies, or fail. The Tennessee Valley Authority Office of Inspector General has received an External Peer Review rating of pass.

Basis of Opinion

This required external peer review was conducted in accordance with CIGIE's *Guide for Conducting External Peer Reviews of Inspection and Evaluation Organizations of Federal Offices of Inspector General* (July 2023) and the Memorandum of Understanding between the Offices of the Inspectors General of the Tennessee Valley Authority and the Department of Health and Human Services, entered into on April 1, 2026.

During our review, we interviewed Tennessee Valley Authority Office of Inspector General personnel and obtained an understanding of the nature of the Tennessee Valley Authority Office of Inspector General's I&E function and the design of the Tennessee Valley Authority Office of Inspector General's system of quality control sufficient to assess the risks implicit in its I&E function. Based on our assessments, we selected I&E reports and administrative files to test for conformity with Blue Book standards and compliance with the Tennessee Valley Authority Office of Inspector General's system of quality control.

In performing our review, we obtained an understanding of the system of quality control for the Tennessee Valley Authority Office of Inspector General's I&E function. In addition, we tested compliance with the Tennessee Valley Authority Office of Inspector General's quality control

policies and procedures to the extent we considered appropriate. These tests covered the application of the Tennessee Valley Authority Office of Inspector General's policies and procedures on selected I&E reports. Our review was based on selected tests; therefore, it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it.

Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with Tennessee Valley Authority Office of Inspector General management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion. Enclosure 1 identifies the Tennessee Valley Authority Office of Inspector General's I&E reports we reviewed.

Responsibilities and Limitations

The Tennessee Valley Authority Office of Inspector General is responsible for establishing and maintaining a system of quality control designed to provide the Tennessee Valley Authority Office of Inspector General with reasonable assurance that the organization and its personnel comply in all material respects with Blue Book standards. Our responsibility is to express an opinion on the design of the system of quality control and the Tennessee Valley Authority Office of Inspector General's compliance based on our review.

There are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and may not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions or because the degree of compliance with the policies or procedures may deteriorate.

/s/

T. March Bell
Inspector General

Enclosure 1: Scope and Methodology

Enclosure 2: Tennessee Valley Authority Comments to Report

ENCLOSURE 1: Scope and Methodology

We reviewed compliance with the Tennessee Valley Authority Office of Inspector General's I&E function system of quality control in effect for the year ended March 31, 2026, to the extent we considered appropriate. We selected the following four reports for review because of their variation in topic, length, department, and report team composition:

- Condition of Fire Protection and Ammonia Safety Systems at Coal Plants (2024-17503), issued May 29, 2025;
- Gallatin Ash Pond Complex Closure and Restoration (2025-17549), issued September 23, 2025;
- Shawnee Selective Catalytic Reduction Project (2025-17563), issued October 28, 2025; and
- TVA Demand Response (2025-17554), issued January 12, 2026.

This assessment included a review of the Tennessee Valley Authority Office of Inspector General's internal policies and procedures manual (i.e., *Tennessee Valley Authority Office of Inspector General Evaluation Manual*) issued July 2022 for compliance with the Blue Book standards. It also included a review of the selected inspection and evaluation reports for compliance with Tennessee Valley Authority Office of Inspector General's internal policies and procedures and the Blue Book standards. The peer review team conducted virtual interviews with, and submitted written questions to, core members of the I&E team at the Tennessee Valley Authority Office of Inspector General who were knowledgeable about the selected reports.

ENCLOSURE 2: Tennessee Valley Authority Comments to Report



Office of the Inspector General

Tennessee Valley Authority, 400 West Summit Hill Drive, Knoxville, Tennessee 37902-1401

Ben R. Wagner
Inspector General

August 18, 2026

The Honorable T. March Bell
Inspector General
U.S. Department of Health and Human Services
Office of Inspector General
330 Independence Avenue, SW
Wilbur J Cohen Building – Room 5250
Washington, DC 20201

Dear Mr. Bell:

Thank you for the opportunity to comment on the August 17, 2026, draft External Peer Review Report. The U.S. Department of Health and Human Services Office of Inspector General concluded in its report that the system of quality control for our evaluation organization in effect for the year ended March 31, 2026, was suitably designed and complied with to provide reasonable assurance of performing and reporting in conformity with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation* (Blue Book).

We are pleased that our evaluation organization received a rating of pass. Accordingly, we have no comments relating to the report. I would like to thank you and the review team for the work they did and the insightfulness and professionalism demonstrated throughout the review. Our office values the peer review process and the constructive feedback that drives continuous improvement and sustaining public trust in our work.

Sincerely,

Ben R. Wagner