

Indiana Utility Regulatory Commission

2021 Winter Reliability Forum



October 28, 2021



aes Indiana Team



Kristina Lund
President and CEO



Aaron Cooper
Chief Commercial Officer



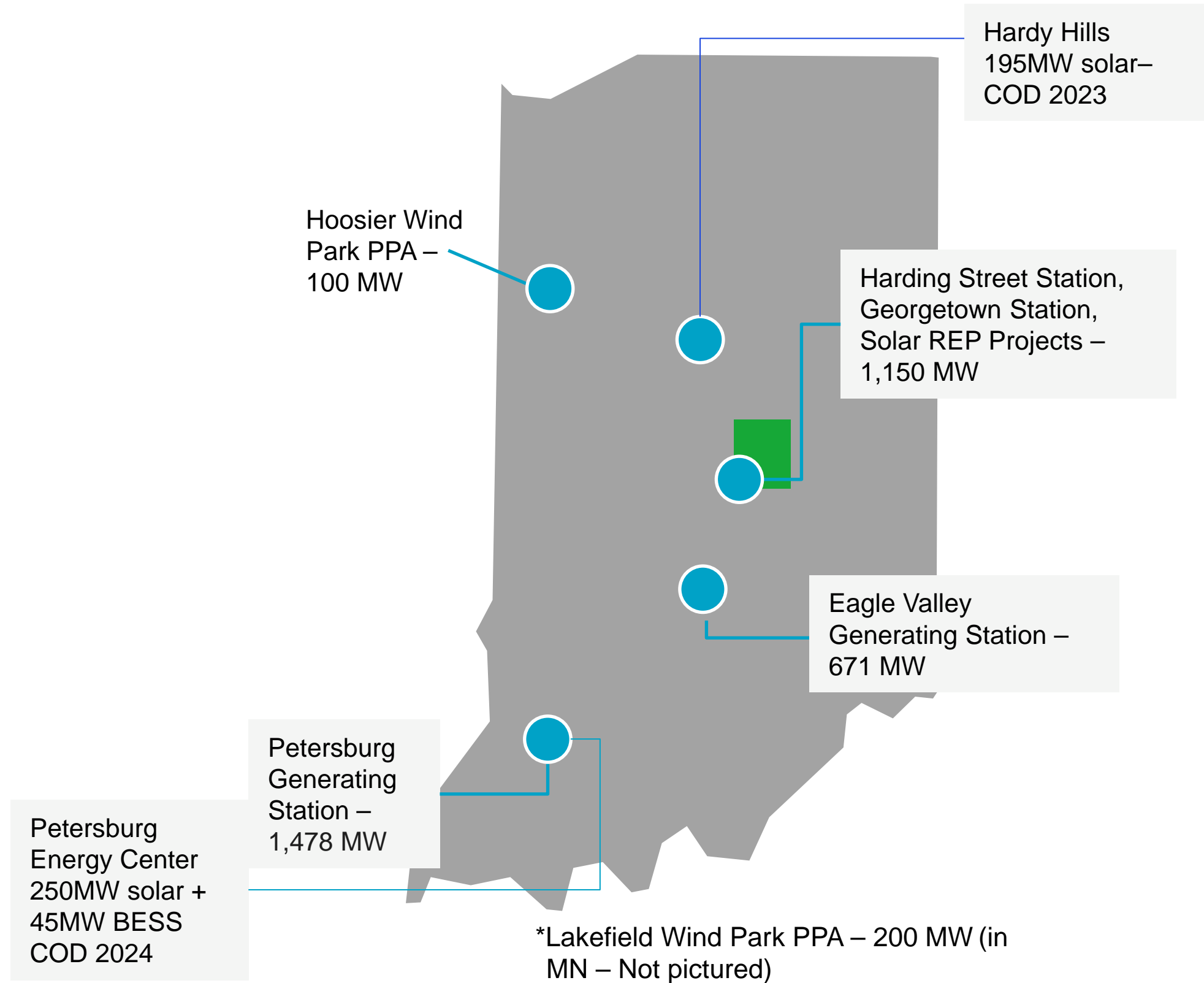
John Bigalbal
Chief Operating Officer



Mike Holtsclaw
Transmission Ops

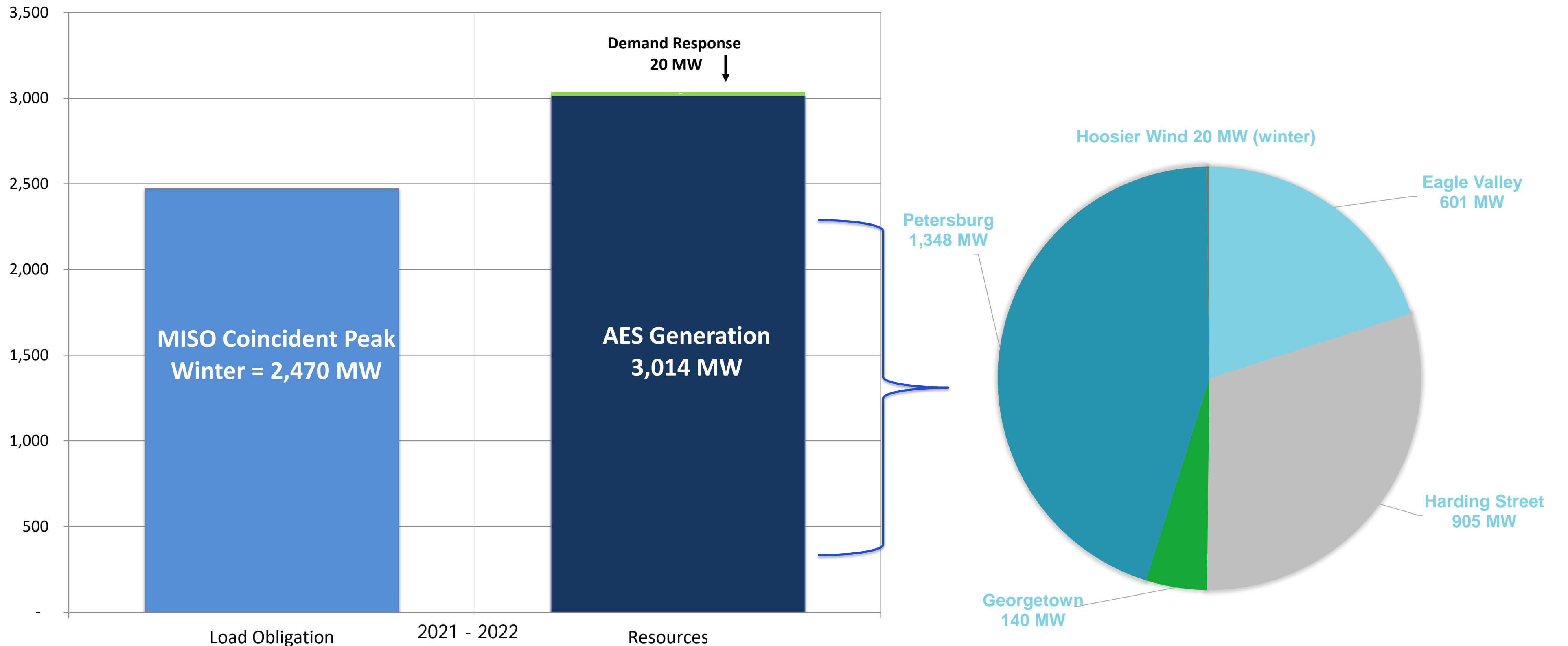
aes Indiana

- 528 square miles
- 8 counties in Indiana
- 512,000 regulated customers
 - 451,735 Residential
 - 55,239 Commercial
 - 4,567 Industrial





Indiana Winter Capacity Reserve Margin



Completing 2nd year of 7-Year Plan designed to achieve:

- Fewer outages and shorter duration of outages
- Improved reliability
- A more resilient system to face growing energy needs



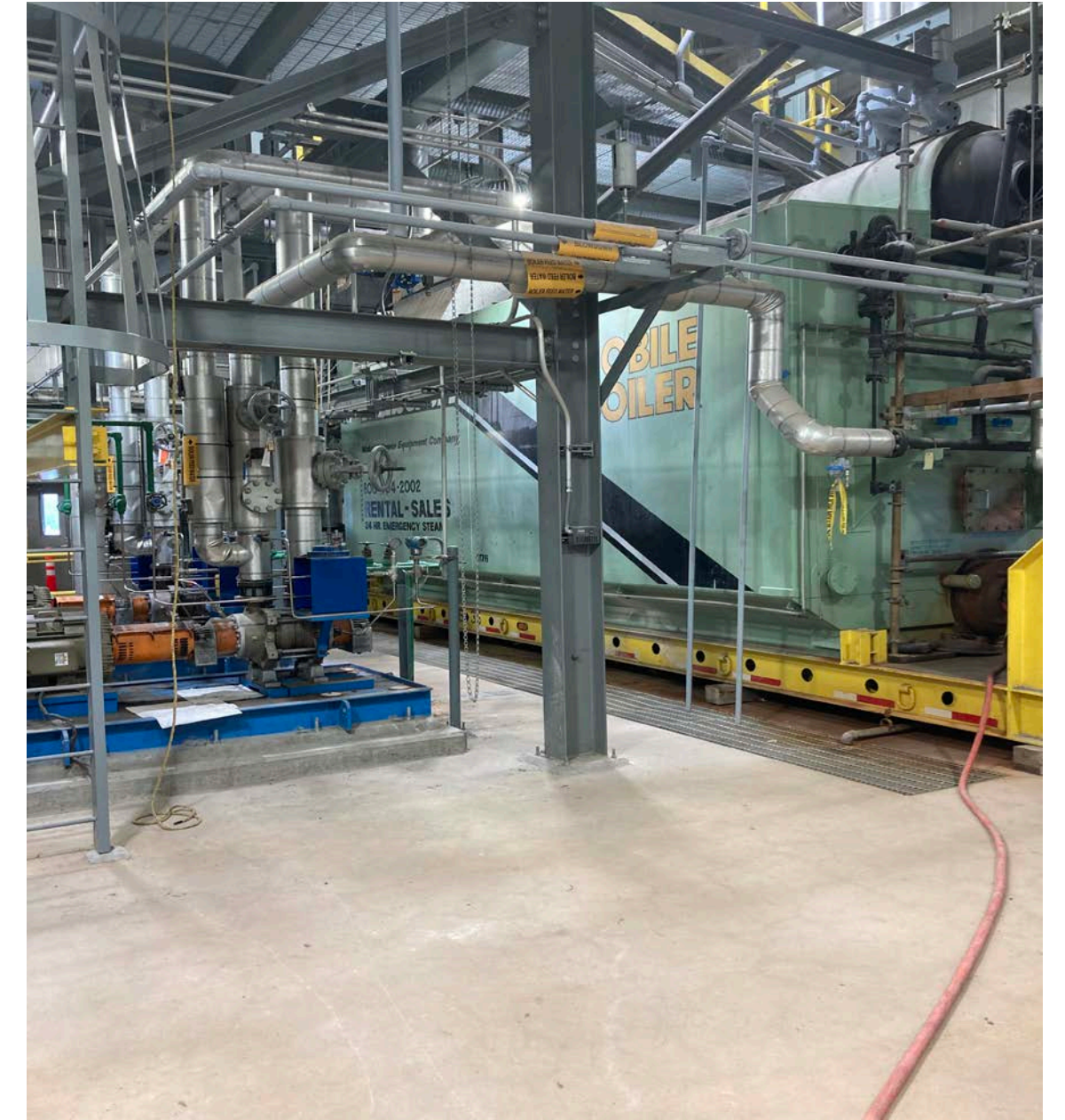
Generation: Our fleet is winterized



Well Pump Heat Trace



Heat Trace Control Panel



Auxiliary Boiler

Generation: Proactive management of extreme weather

2 Months Out

- Preventive maintenance testing and verify all freeze protection devices/equipment are in working order
- Review natural gas precautions and action with supplier
- Repair any damaged enclosures that would be subject to harsh weather conditions
- Place appropriate mobile heaters in areas where they are needed

1 Week Out

- Internal discussions regarding staffing to address the coming cold weather issue either extreme cold or snowfall
- Review cold weather cooling tower operating procedures with operations

2 Days Out

- Test run gas turbines 4 and 5 at Harding Street on oil
- Implement cold weather operator rounds
- Check for winter operations mode
- Ensure fuel storage for heaters has been topped off

1 Day Out

- Schedule additional staffing around the clock for emergency response in extreme cold events
- Run coal conveyors continuously
- Run all pumps continuously that are vulnerable to extreme cold weather conditions

T&D Operations: Proactive management of extreme weather

7+ Days Out

- Monitor Weather at least 7 days out, using National Weather Service and Private Weather Services

7-3 Days Out

- Internal discussions taking place daily on operations & staffing
- Transmission Operations begin looking at maintenance outages that can be recalled, return lines & equipment to service to the extent possible
- Supply Chain begins checking critical materials levels for common storm restoration material

2 Days Out

- Activate Storm Team
- Begin daily storm status calls

1 Day Out

- Transmission Operations would declare Conservative Operations [Depending on the areas affected, MISO may also declare Conservative Operations for portions of the MISO footprint]
- Schedule additional staffing around the clock for outage response, in extreme cold events, single man crews are doubled up
- Schedule around the clock substation maintenance crews to respond to equipment issues
- Activate and man Emergency Operations Center if conditions warrant

Our hedging policies reduce price risk for customers, especially important during periods of rising fuel prices

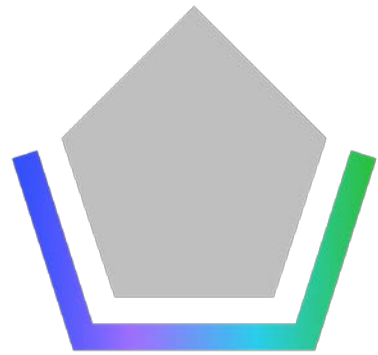
Key drivers of rising fuel prices

- Increasing global demand
- Low inventories and tight logistics

Hedge program for coal units and baseload natural gas address price and supply reliability

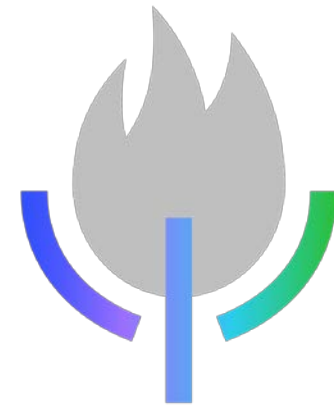
- Coal
 - Fixed price contracts for delivery entered-into over time
- Natural Gas
 - Fixed price natural gas for Eagle Valley CCGT on Rockies Express (“REX”) and Texas Gas Transmission (“TGT”)

We are prudently managing our fuel supply in current market conditions



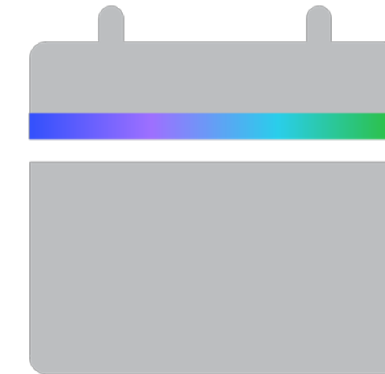
→ Onsite Inventories

- Maintain onsite coal inventories to address potential supply disruptions – increase in winter
- Increase fuel oil onsite in winter for Harding Street dual fuel units



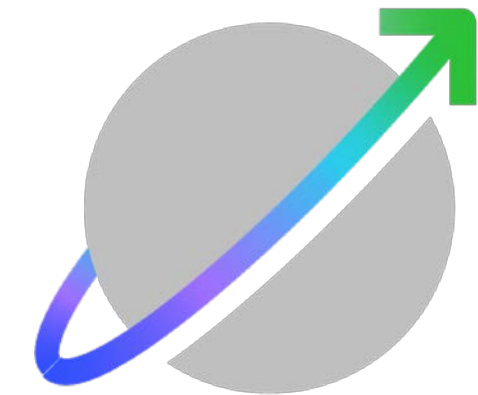
→ Natural Gas Transportation

- Firm transportation on TGT pipeline
- REX pipeline purchases include firm transportation
 - Increases firm capacity overall – supports firm transport and reliability for Harding Street



→ Communication with Supply and Logistics

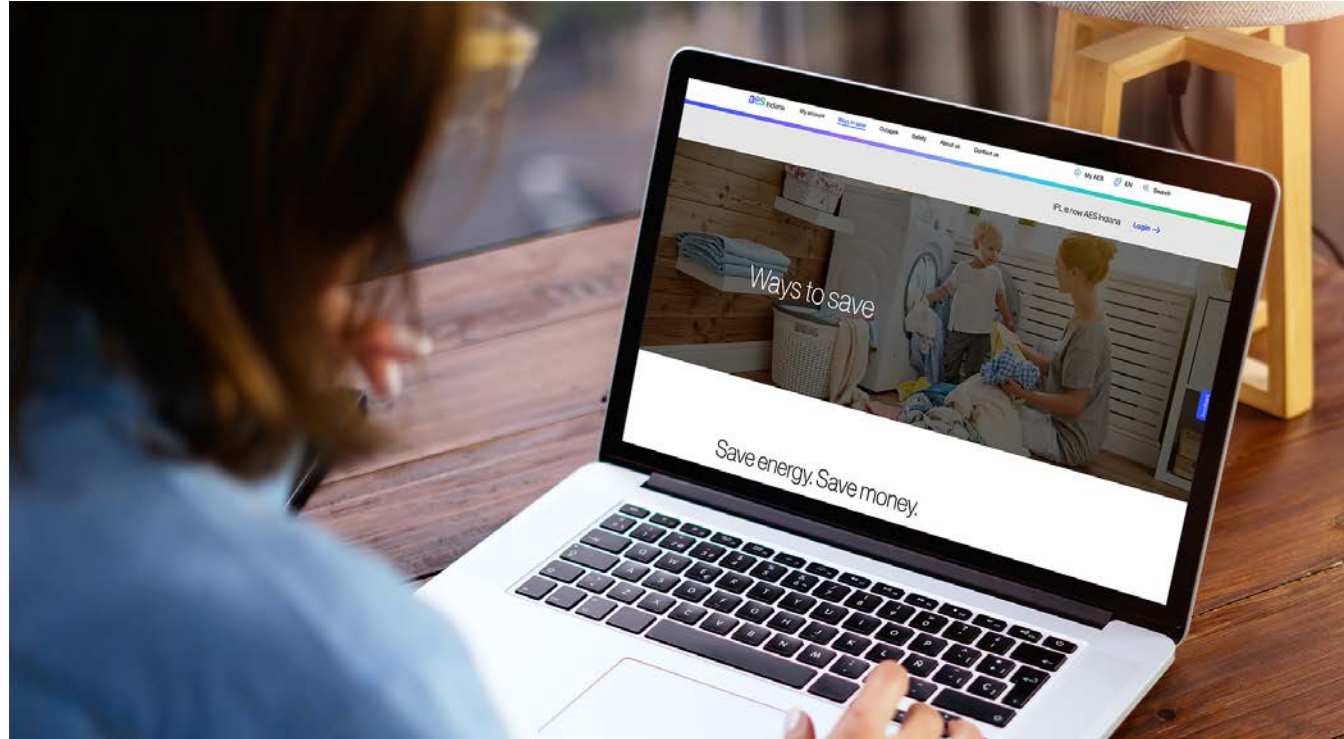
- Be prepared – get ready for the season internal and external
- 20-day look forward – monitor weather and plan for potential events
- During an event – hyper-communicate to recognize and address issues in addition to normal daily calls



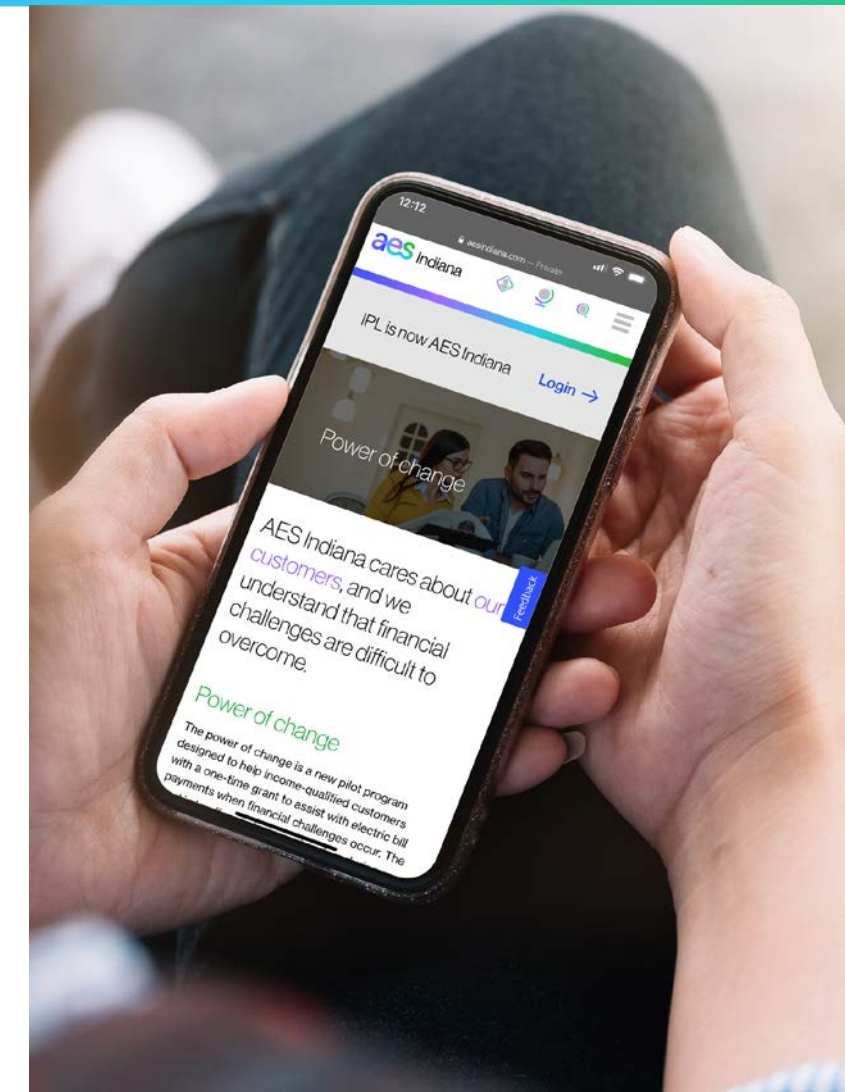
→ MISO

- Follow MISO protocol
- Generation operators in continuous contact with MISO
- Monitor Multiday Operating Margin Forecast Report to anticipate critical days

Actively engaging and providing support for customers



- Energy Efficiency Programs
- Budget Billing
- Winter Assistance
- Power of Change



Q&A