

Indiana Utility Regulatory Commission

2022 Summer Reliability Forum



April 5, 2022





Kristina Lund
President and CEO



Aaron Cooper
Chief Commercial Officer



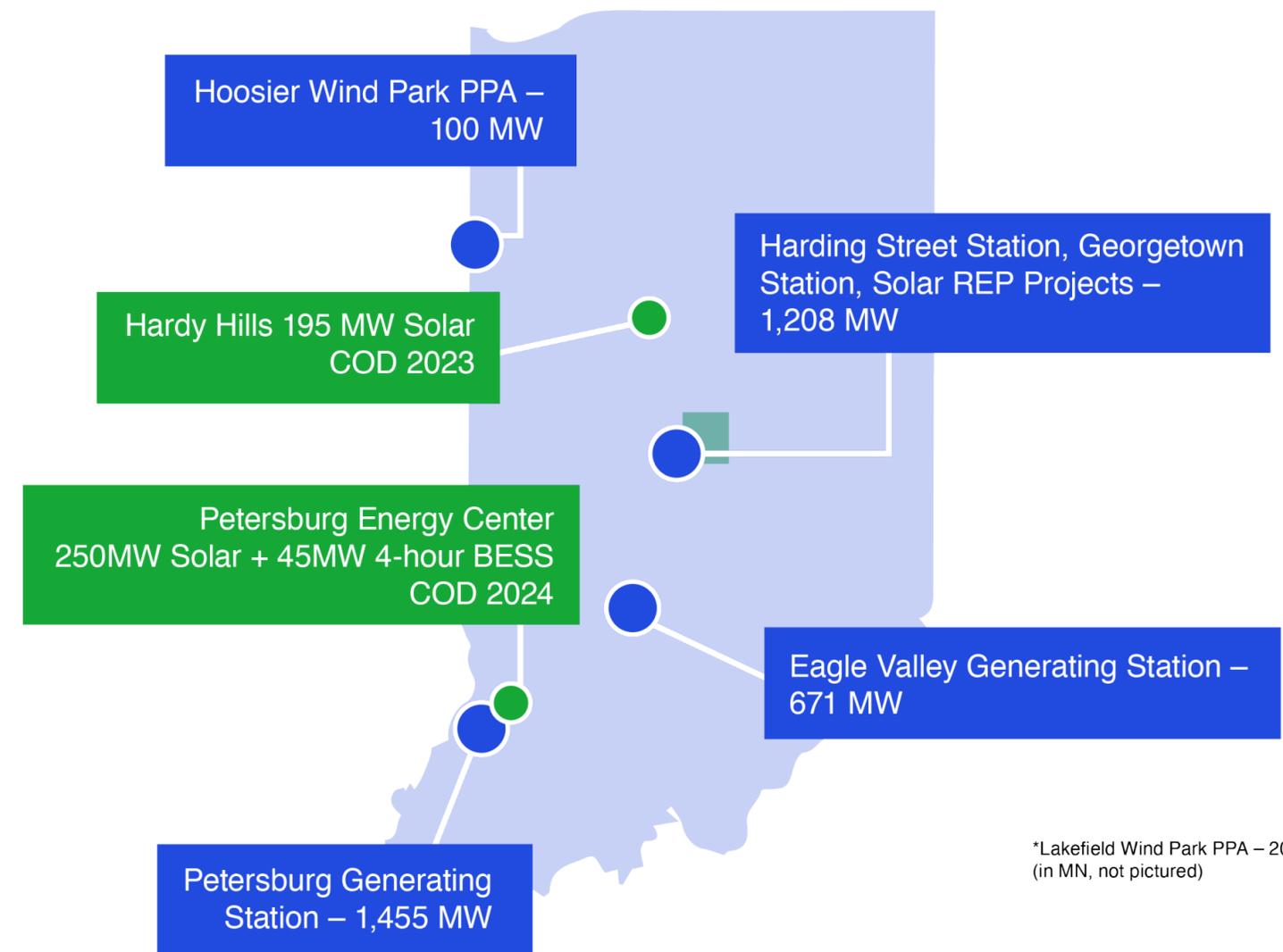
John Bigalbal
Chief Operating Officer



Mike Holtsclaw
Transmission Ops

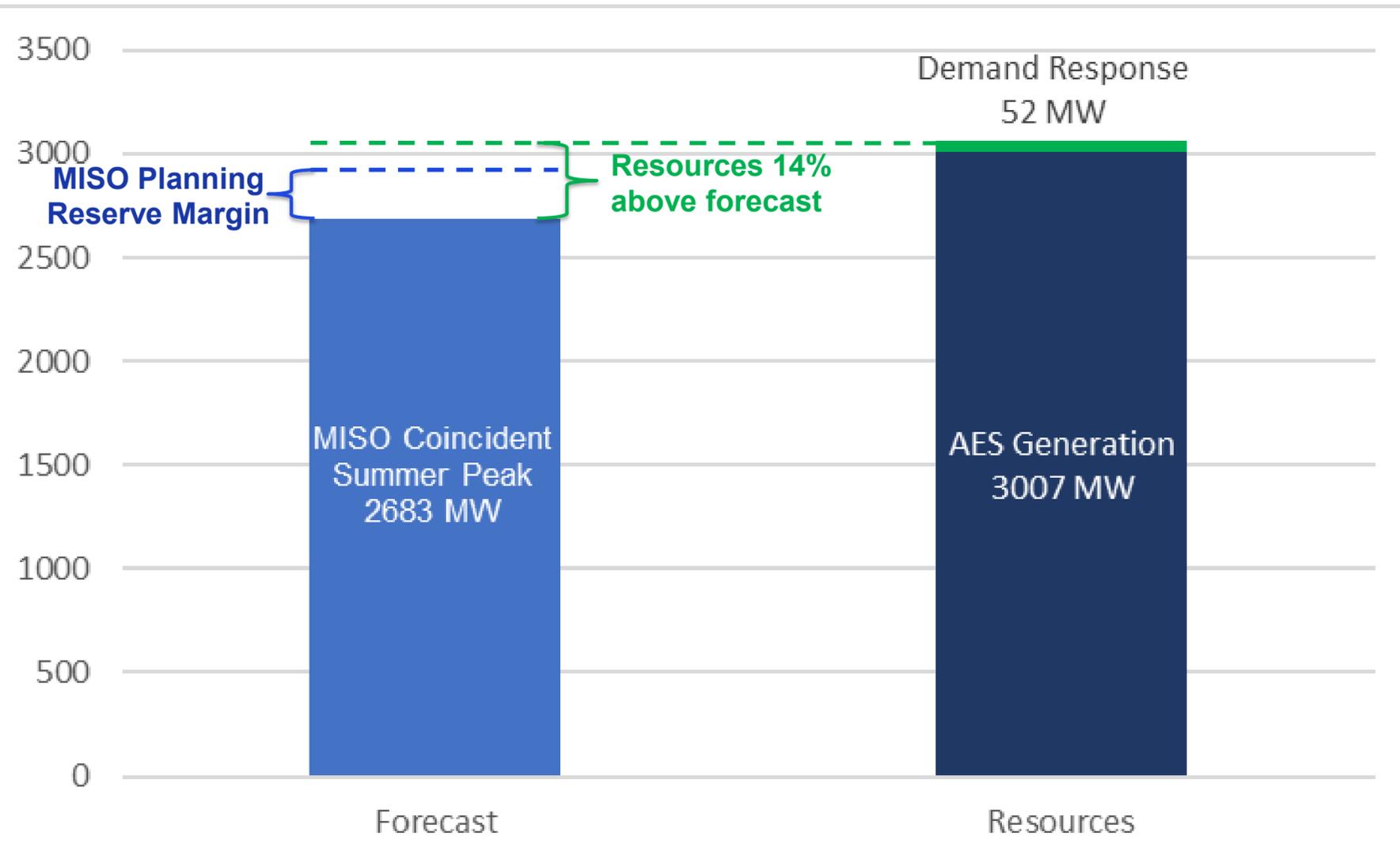
- 528 square miles
- Serves downtown Indianapolis and 8 counties in Indiana
- Serves > 500,000 regulated customers
- 3,643 MW of Generation
 - 1,464 MW Coal*
 - 38 MW Oil
 - 1,745 MW Gas
 - 300 MW Wind
 - 96 MW Solar

3,634 Total MW of Generation

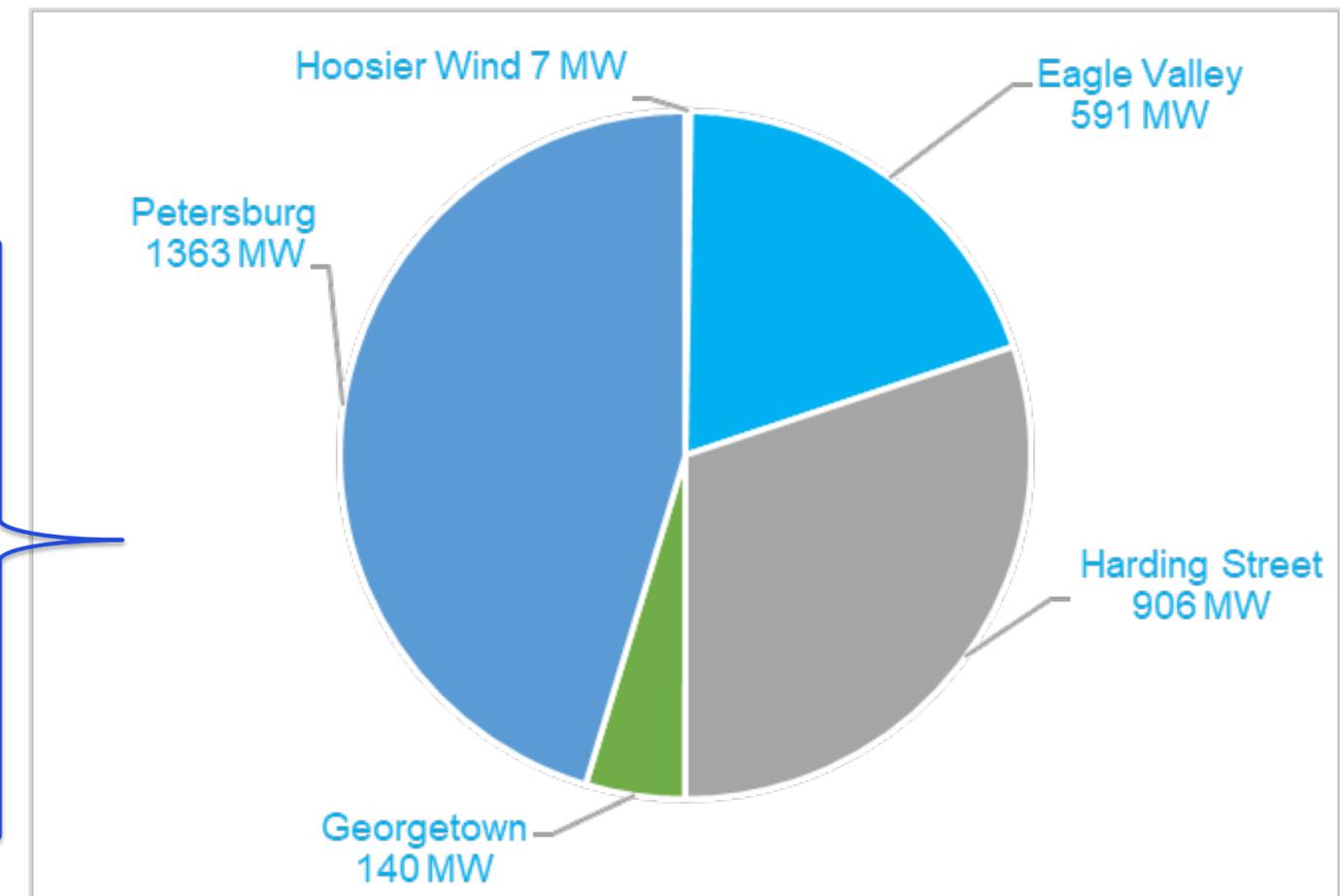


*Lakefield Wind Park PPA – 200 MW (in MN, not pictured)

aes Indiana Summer Capacity Reserve Margin



2022 - 2023



As of March 18, 2022, Eagle Valley is online, operating efficiently and available at full capacity for AES Indiana customers in Central Indiana

Outages & Generation Needs

Summer Preparation Outages

- Outages are coordinated with our Commercial Operations & Resource Planning Team and MISO
- Target 6/15 for completion of all outages
- Ensure heat exchangers are working well
- Check all AC and ventilation systems



Planned outages include summer prep with expanded scope addressing reliability and regulatory needs

Generation: Proactive Management of Extreme Weather

Safety is always first

2 Months Out

- Complete summer prep outages
- Review extreme weather policies, plans and procedures
- Inspect lightning arresters
- Verify tornado shelters are in acceptable condition
- Verify weather warning notification system

1 Week Out

- Internal discussions regarding status of equipment and lineups
- Review applicable Emergency Action Plans
- Contact and prepare local agencies with impending weather
- Verify weather radios in control rooms work
- Monitor weather

2 Days Out

- Implement hot weather operator rounds
- Verify cooler cleanliness
- Verify cooling systems are operating correctly
- Test siren system
- Monitor weather

1 Day Out

- Schedule additional staffing for emergency response in extreme weather events
- Start all cooling tower fans
- Last minute check of cooling systems
- Monitor weather

T&D Operations: Proactive management of extreme weather

7+ Days Out

- Constantly monitoring Weather at least 7 days out, using National Weather Service (“NWS”) and Private Weather Services
- Monitor Storm Prediction Center Convection Forecast days 4-8

2-3 Days Out

- Internal discussions taking place daily on operations & staffing
- Monitoring NWS Storm Prediction Center Convection Forecast for next 3 days and forecast from Private Weather Services
- 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

1 Day Out

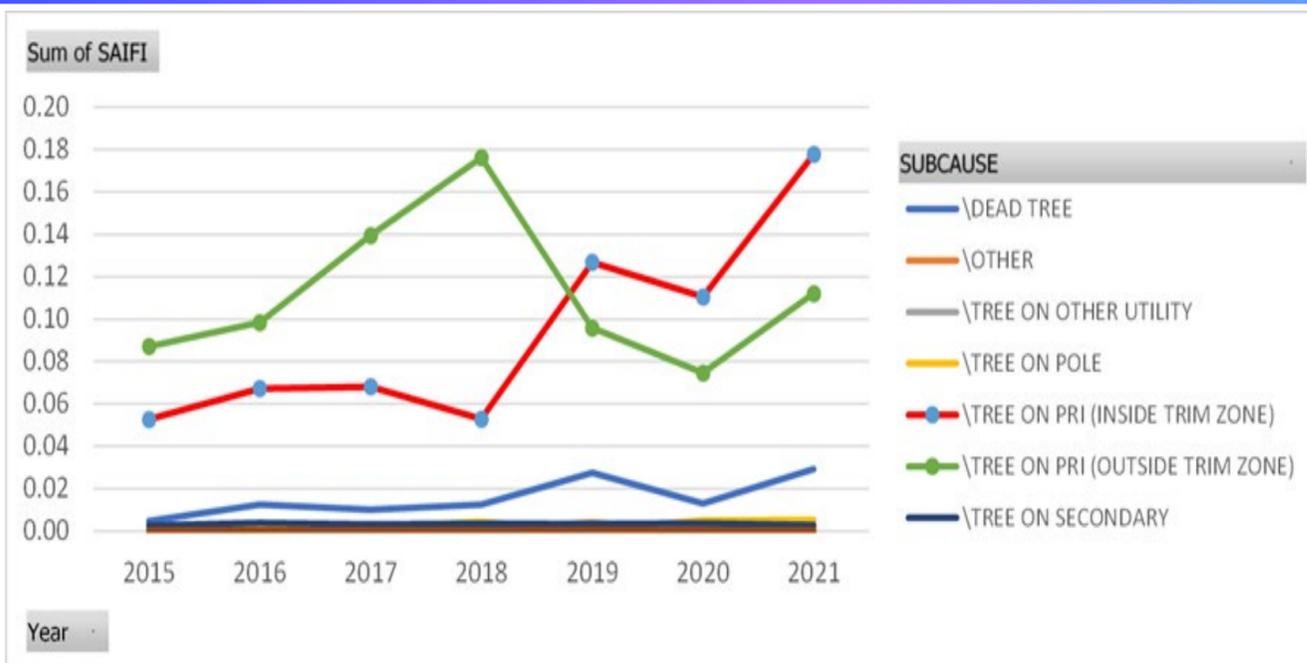
- Monitor NWS Storm Prediction Center Severe Weather outlook focus on Day 1 and Day 2
- Transmission Operations would declare Conservative Operations [Depending on the areas affected, MISO may also declare Conservative Operations for portions of the MISO footprint]
- Schedule additional staffing around the clock for outage response

Day Of

- Adjust Staffing Schedule based on current conditions and latest forecast
- Activate On-Call Storm Team
- Activate and man Emergency Command Center if conditions warrant
- Monitor weather radar, lightning network, and storm reports to the west of our system.
- With Declared Storm begin storm status calls

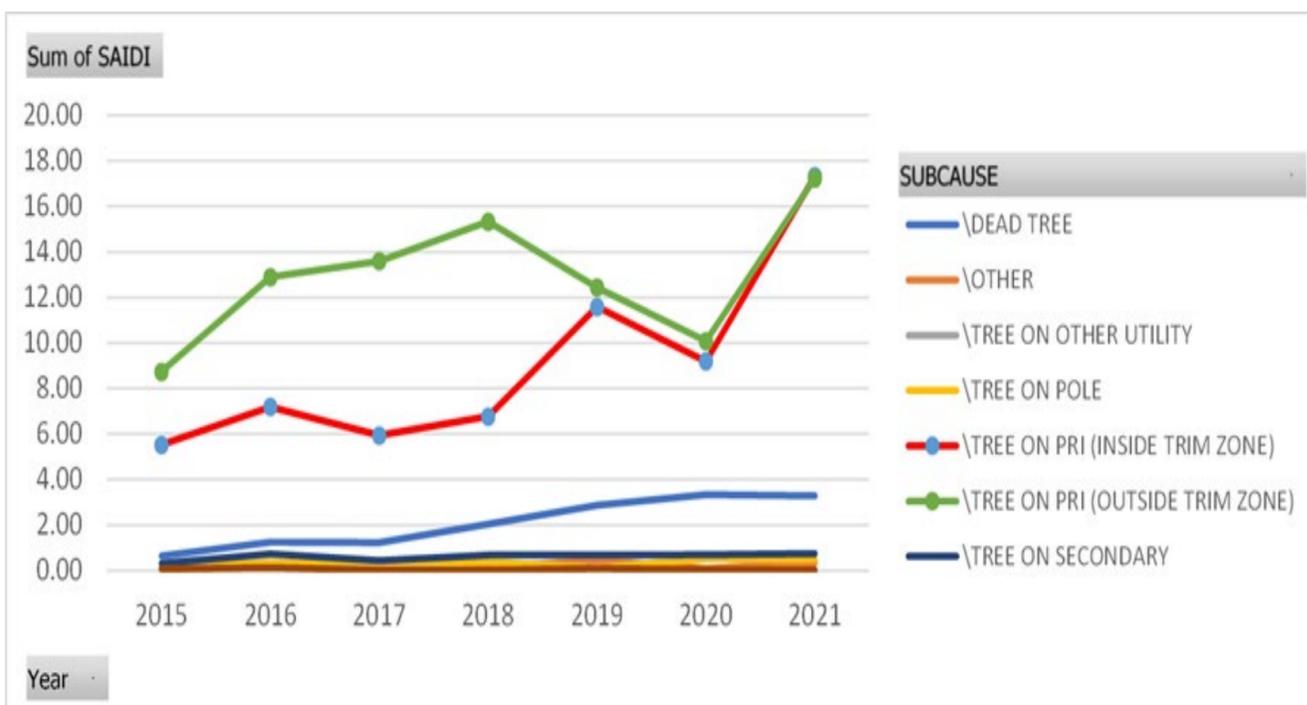


Vegetation Management



ISSUES

- 2021 20 declared storms
- 2021 Vegetation SAIDI 39.47 minutes / SAIFI 0.329
- Contract labor issues, leading to fewer miles trimmed
- 91% of non-storm outages due to branch failure above conductor or tree failure outside of trim zone
- Ash trees continue to be an issue (continual decay with no access to mitigate)



INITIATIVES

- Targeted circuit trim, based off time since last trim and impact on SAIFI/SAIDI (data analytics approach)
- Hazard Tree program to mitigate trees outside the trim zone (up to 45' from conductor) utilizing ISA Tree Risk Assessment Qualified Inspectors to identify
- Increase overhang clearance from 15' to removing all overhang of species with weak branching structure

aes Indiana revAMP

In the 3rd 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



Project	Quantity (12/31/21)	Unit
Circuit Rebuilds	103	Miles
Substation Asset Replacement	21	Projects
4 kV Conversion	4	Circuits
Tap Reliability Improvement Projects (TRIPS)	28	Miles
XLPE Cable Replacement	1,302,235	Feet
Distribution Automation	350	Reclosers

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

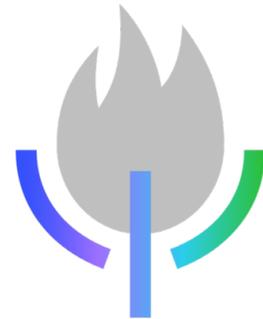
- Coal
 - Fixed price contracts for delivery entered-into over time
- Natural Gas
 - Fixed price natural gas for Eagle Valley CCGT on Rockies Express (“REX”) and Texas Gas Transmission (“TGT”)

We are prudently managing our fuel supply in current market conditions



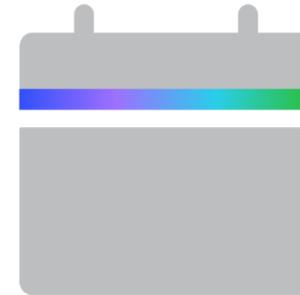
→ Onsite Inventories

- Maintain onsite coal inventories to address potential supply disruptions
- Coal 100% hedged for 2022
 - including high range of inventory for winter
- Maintain higher than historical fuel oil onsite 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 as appropriate 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

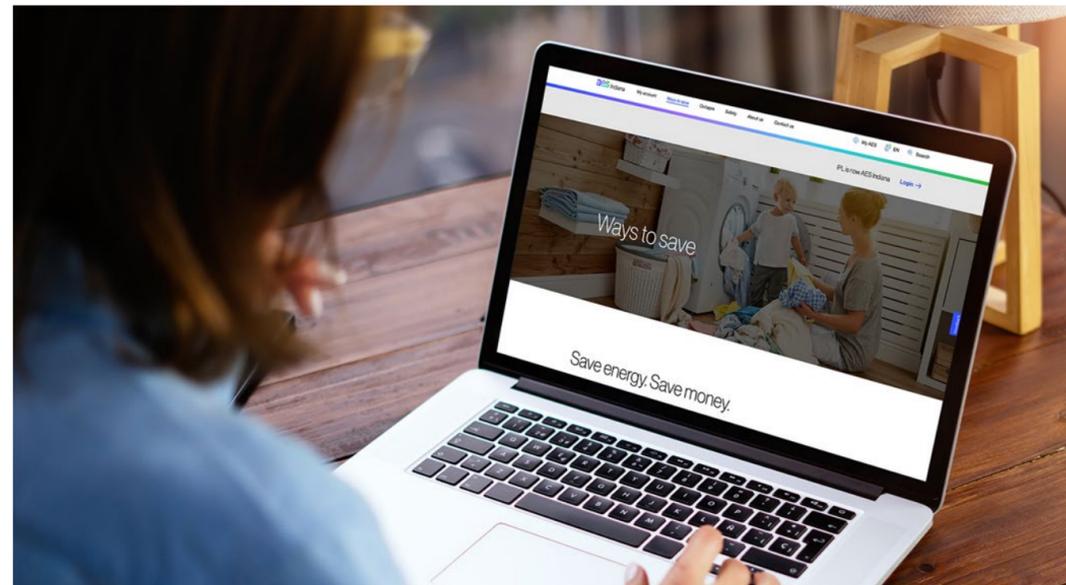
RTO Changes & Impacts

We continue to monitor and engage with MISO as they seek to implement:

- Seasonal Capacity Accreditation
 - AES Indiana fleet transition, market volatility, system reliability
- FERC Order 2222
 - Roles and responsibilities, planning and operation of a modern distribution system, cost to participate
- Long Range Transmission Planning
 - Cost exposure for retail customers, stranded assets, prudent planning

Supporting our customers

- Extended Winter Moratorium
- Energy Efficiency Programs
- Billing and Payment Assistance
- Budget Billing



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Benefits of AES Indiana E-bill

- Greener billing**
Help the environment by having bills delivered via email, saving paper and
- Personalized notifications**
Receive customizable billing and payment notifications by email and
- Free online payment**
Pay your bill online for free from your checking or savings account.

Smarter, Together April 2022

@ Planning our energy future, together

Join CoolCents® and get a FREE smart thermostat!

Every three years, AES Indiana submits an Integrated Resource Plan (IRP) to the Indiana Utility Regulatory Commission that identifies a forward-looking 20-year portfolio of generation that provides safe, reliable, and affordable energy to our more than 62,000 customers. This process is an important component of our strategic objective to maintain reliability and affordability while driving lower carbon emissions. As a valued customer, we want to keep you informed of the process and invite you to join us for one of our public advisory meetings.

Our next public advisory meeting will take place virtually on Tuesday, April 12, 10AM - 3PM.

Event registration and meeting materials are available at aesindiana.com/integrated-resource-plan.

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Enroll in CoolCents today and get a FREE Sensi smart thermostat while also receiving a monthly bill credit of up to \$20 (June-September). Offer is available with free installation by visiting aesindianamarketplace.com.

Already own a smart thermostat? CoolCents has rewards for you, too!

Learn more and enroll today by visiting <https://www.aesindiana.com/cool-centers-air-conditioning-management>

April is National Safe Digging Month

The weather is warming up and so are many outdoor activities such as landscaping and home improvement projects that often include digging. April is National Safe Digging Month, a time to remind residents to always call 811 before any digging project. Underground utility lines can lie just inches below the surface under streets, sidewalks and private property, so it's important to know where they are before digging. When homeowners contact 811, utility companies will mark the locations of underground lines - free of charge - to prevent any damage and to keep you safe. For more information or to submit an online locate request, visit indiana811.org.

aes Indiana

Protect yourself from scammers

Scammers are aggressively targeting AES Indiana customers. Their efforts are intentional to confuse and defraud customers as we transition to our new brand, AES Indiana. The most common types of utility scams involve customers receiving an unsolicited telephone call, text message, or electronic or in-person communication by an individual claiming to represent the utility.

Don't be a victim of a scam, look for the signs:

- Scammers may pretend to be from AES Indiana. Your caller ID might even say "AES Indiana."
- Scammers may threaten to turn off power within an hour.
- Scammers may demand payment immediately by use of a prepaid debit card.
- Do not answer anyone who shows up at a home or business unannounced without identification. AES Indiana technicians will always carry an official ID badge.

aes AES Indiana @AESIndiana

High winds can cause trees and branches to fall on power lines. NEVER go near a downed line. Assume it is live and report it to us by calling 317-261-8111. If there is an emergency, such as a fire, call 911. More downed line #safety tips: [#safety tips: aes-in.co/line #INwx](https://aes-in.co/line)

Downed power line? Stay away! Do not touch!

aes Indiana

Leading the inclusive, clean energy transition



Customer

Reliability. Affordability. Diverse needs.

Create value in how we serve customers today to become their energy partner in the future.



Smart Grid

Use new technologies across our value chain to create the resilient grid of the future.



Sustainability

Maintain reliability and affordability while driving lower carbon emissions.



Workforce of the Future

Work differently, using new technologies and skills. Strengthen our culture of safety, innovation and belonging.

Facilitate economic and community development

Q&A