Agenda

• Overview of AMP
• NERC BES Rules and the Impact on Certain AMP Members
• Overview of AMP Transmission
Company Overview

Non-profit wholesale power supplier and services provider for 135 member municipal members are units of local government.

**Established 1971**
- 177 Employees
- HQ: Columbus OH

**Members located in 9 states**
- OH, KY, PA, MI, VA, MI, DE, WV, IN
- Serving 650,000 customers
- Operate in 2 RTOs & non-market areas

**21-member Board of Trustees**
- Comprised of member system officials

**Assets Totaling $6.2 billion**
- Mixed Generation Technologies
- Diverse Energy portfolio
- 3400 MW peak load
- All project financings rated in the A category
AMP’s Steady Growth (2000 – 2016)

**Members**
- 2000: 82
- 2006: 119
- 2016: 135

**System Peak (MW)**
- 2000: 1,877
- 2006: 2,966
- 2016: 3,416

**Revolving Line of Credit (MM)**
- 2000: $10
- 2006: $150
- 2016: $600

**Electric Revenue (MM)**
- 2000: $222
- 2006: $467
- 2016: $1,218
Vision, Mission Values

Vision
To be public power's leader in wholesale energy supply and value-added Member services.

Mission
To provide Members with the benefits of scale and expertise in providing and managing energy services.

Values
• **Cooperation:** Work together to achieve common goals.
• **Integrity:** Be honest, fair, reliable and ethical.
• **Innovation:** Develop new and creative approaches that increase value to our members.
• **Action Oriented:** Anticipate, adapt and act.
• **Effective Communication:** Foster open, honest, timely and responsible two-way communications; listen actively and show respect for others.
• **Member Focus:** To continually improve timely, dedicated and professional support to our members and their customers.
AMP Member’s Transitioning Energy Portfolio

2007 AMP Member Energy Resource Mix

- Member Coal: 17%
- Hydro (including NYPA): 7%
- Purchased Power: 75%
- Wind & Solar: <1%
- Landfill: 1%

2018 AMP Member Projected Energy Resource Mix (16,900,000 MWh)

- Purchased Power: 43%
- Prairie State: 16%
- Fremont Combined Cycle: 14%
- Hydro (including NYPA): 16%
- Member Coal: 6%
- Wind & Solar: 3%
- Landfill: 2%
- Purchased Power: 75%
- Member Coal: 17%
- Hydro (including NYPA): 7%
- Landfill: 1%
- Wind & Solar: <1%

- Member coal includes Paducah and Princeton's Prairie State through KMPA
- Wind & Solar includes Member Owned Solar
- Hydro includes Member Owned Hydro
AMP Generation Projects

AMP Fremont Energy Center (AFEC)

• Natural Gas Combined Cycle (NGCC)
• 675 MW (Increasing to 702 MW)
• Located in Fremont, Ohio
• 86 Participants, including DEMEC

Prairie State Energy Campus

• Advanced coal, mine-mouth facility
• Located in Southern Illinois near Lively Grove
• 1,600 MW; AMP owns 368 MW share
• 68 Participants
AMP Hydro Generation Projects

• **Belleville Hydroelectric Plant (OMEGA JV5)**
  - 42 MW, located in Belleville, West Virginia
  - On-line 1999
  - 42 Participants

• **AMP Hydroelectric Phase I**
  - 3 Run-of-the-River projects at existing dams on the Ohio River, totaling 208 MW
  - On-line 2016-2017
  - 79 Participants

• **Meldahl/Greenup Hydroelectric**
  - Meldahl - on-line April 2016 (105 MW)
  - Greenup - purchase 48.6% share May 2016 (70 MW)
  - 48 Participants
NERC BES Obligation

- **7/1/14** implementation of new definition of the Bulk Electric System
  - Elements operated at **100** kV or higher
  - Could not meet Radial Systems Exclusion
  - Could not meet Local Networks Exclusion

- **138** kV ring busses

- Reliability First has determined facilities are BES

- PJM is the registered TOP for all NERC registered transmission facilities in the PJM Region
  - For PJM to perform TOP functions, entity must sign Consolidated Transmission Owners Agreement (CTOA) and perform PJM’s TOP obligations delegated to TOs under the PJM TO/TOP Matrix
  - Entity must comply with all NERC Reliability Standards
AMP Transmission

• Small municipalities would be challenged to meet the NERC TO obligations as well as obligations delegated under the PJM TO/TOP Matrix
• Local control is important to AMP’s Members
• AMP’s affected Members asked AMP for help
• After careful consideration, AMP’s Board authorized AMP to create AMP Transmission, LLC
AMP Transmission

• Wholly owned subsidiary of AMP
• Not-for-profit, single member, limited liability company organized in the State of Ohio
• Cost of service, non-jurisdictional utility whose rates will be regulated by the Federal Energy Regulatory Commission (FERC)
AMP Transmission

- GridForce to provide PJM compliance for PJM Transmission Operator functions delegated to PJM TOs under the PJM TO/TOP Matrix
  - Waiver of FERC Code of Conduct received 6/26/18
- AMPT will contract with AMP for staffing services
- Executed Transition Agreement with PJM 9/13/18
- Expect to file Formula Rate 11/1/18; 1/1/19 effective date
- “Go Live” 12/14/18
- ATSI Zone
  - City of Napoleon, Ohio