Advancing the Clean, Unbreakable Grid

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About the AES Corporation

Mission: Improving lives through safe, reliable and sustainable energy solutions.

Several of Our Companies

- Indiana, US
- Chile
- Sao Paulo, Brazil

- AES Serves 11M CUSTOMERS
- AES Serves 8 UTILITY COMPANIES
- AES Serves 18,500 GLOBAL WORKFORCE

6 MARKET-FACING STRATEGIC BUSINESS UNITS
4 CONTINENTS
17 COUNTRIES

$37B TOTAL ASSETS OWNED & MANAGED
$15B TOTAL 2015 REVENUES

36,000 MW GENERATION CAPACITY
AES operates 116MW of advanced battery-based energy storage, the largest grid-connected fleet.

Los Andes
Atacama, Chile
2009

Laurel Mountain
West Virginia, USA
2011

Angamos
Mejillones, Chile
2012

Tait
Ohio, USA
Sep 2013

2015 Additions

10MW
Warrior Run
Cumberland, Maryland

10MW
Zeeland
Vlissingen, Netherlands

10MW
Kilroot
Belfast, N. Ireland

Contains Forward Looking Statements
AES energy storage fleet has more than 3 million megawatt-hours of delivered service.
Storage is a better choice than many traditional power alternatives.

Easier to build, reduces system costs, lowers emissions, & improves reliability

<table>
<thead>
<tr>
<th>Segment</th>
<th>Typical Customers</th>
<th>Benefit to Alternative</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Utilities</td>
<td>Reduce system costs by improving efficiency</td>
</tr>
<tr>
<td></td>
<td>Power project developers (IPP)</td>
<td>Increase system reliability &amp; flexibility</td>
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<tr>
<td></td>
<td>System Operators</td>
<td>Reduce emissions &amp; enhance fuel diversity</td>
</tr>
<tr>
<td>2</td>
<td>Transmission &amp; Distribution Utilities</td>
<td>Improve utilization of existing resources</td>
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<tr>
<td></td>
<td></td>
<td>Reduce system costs &amp; better matches yearly growth needs</td>
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<tr>
<td></td>
<td></td>
<td>Easier to site &amp; shorter development</td>
</tr>
<tr>
<td>3</td>
<td>Commercial &amp; Industrial Customers</td>
<td>Deliver additional value to the customer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Solves similar problems from different location</td>
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</tbody>
</table>

Contains Forward Looking Statements
Capacity Release: Improving System Reliability in Chile

Initial project leading to over 50 MW of energy storage in Chile.

Benefits

- Avoided load shedding and emergency curtailment
- Increased energy production and reduced cost
- Increased system security
- Inertia-like performance

24 MW Los Andes Resource
Atacama, Chile
Estimated to Save Customers $37 Million Annually
Energy storage unlocked low-cost generation in the CDEC-SING

20 MW interconnected Angamos resource
Antofagasta, Chile

Digital-Like Response
Frequency Regulation: Integrating Renewables in PJM

AES storage resources save PJM customers $20 million per year

98 MW Laurel Mountain Wind Farm with 32 MW interconnected storage
West Virginia, USA

AES Proprietary and Confidential
Frequency regulation: Storage to serve TenneT

Initial 10MW storage online at end of 2015, providing 20MW of flexibility

- Primary Control Reserve (frequency regulation) for integrated market (DE, NL, CH, AU)

**Impact:**
- Reduce total reserve cost
- Fast, accurate reserves
- Increased system flexibility
- Opportunity to explore fast resource benefits

20 MW Zeeland Resource
Vlissingen, Netherlands
Flexible Peak Capacity: SCE selects 100MW

Competitive solicitation to meet peak capacity needs and provide flexibility

Project Description:

- 2x50 MW advanced battery array
- Provides local capacity reliability
- 4 hour duration
- 24x7 power resource
- No emission or water
- 20-Year Tolling PPA

100 MW Interconnection (rendered)
200 MW of flexibility (discharge + charge)
Regional Focus on Natural Gas Increasing, Solar Capacity Growing

“In East, ISO-NE, NYISO generators most vulnerable to gas shortages...”

“New England is becoming increasingly dependent on gas-fired generation as coal, oil and nuclear units are retired...”

“New England seen a significant expansion in the amount of solar capacity online, and more is coming..”
Over 40 GW of simple cycle gas turbines expected in next 10 years in the US (Source: IHS Analysis)

Yet the existing gas turbine fleet operates at a 5% capacity factor
Storage provides up to 4 x the effective resources and unique flexibility compared to traditional peakers.

- **100 MW CT**
  - Min point ~50%
  - +25 MW flexible range
  - -25 MW flexible range

- **100 MW Advancion® Array**
  - Min point 0 MW
  - +100 MW flexible range
  - -100 MW flexible range

Unique capabilities of battery storage:
- Fast ramp (<250 msec)
- Always synchronized
- Unlimited starts / stops (no cost)
- Broader operating range

Contains Forward Looking Statements
4th Generation Grid Storage from AES

Industry leading platform is available under several ownership models
Questions?