

AEG Washington Q3 Stakeholder Challenge

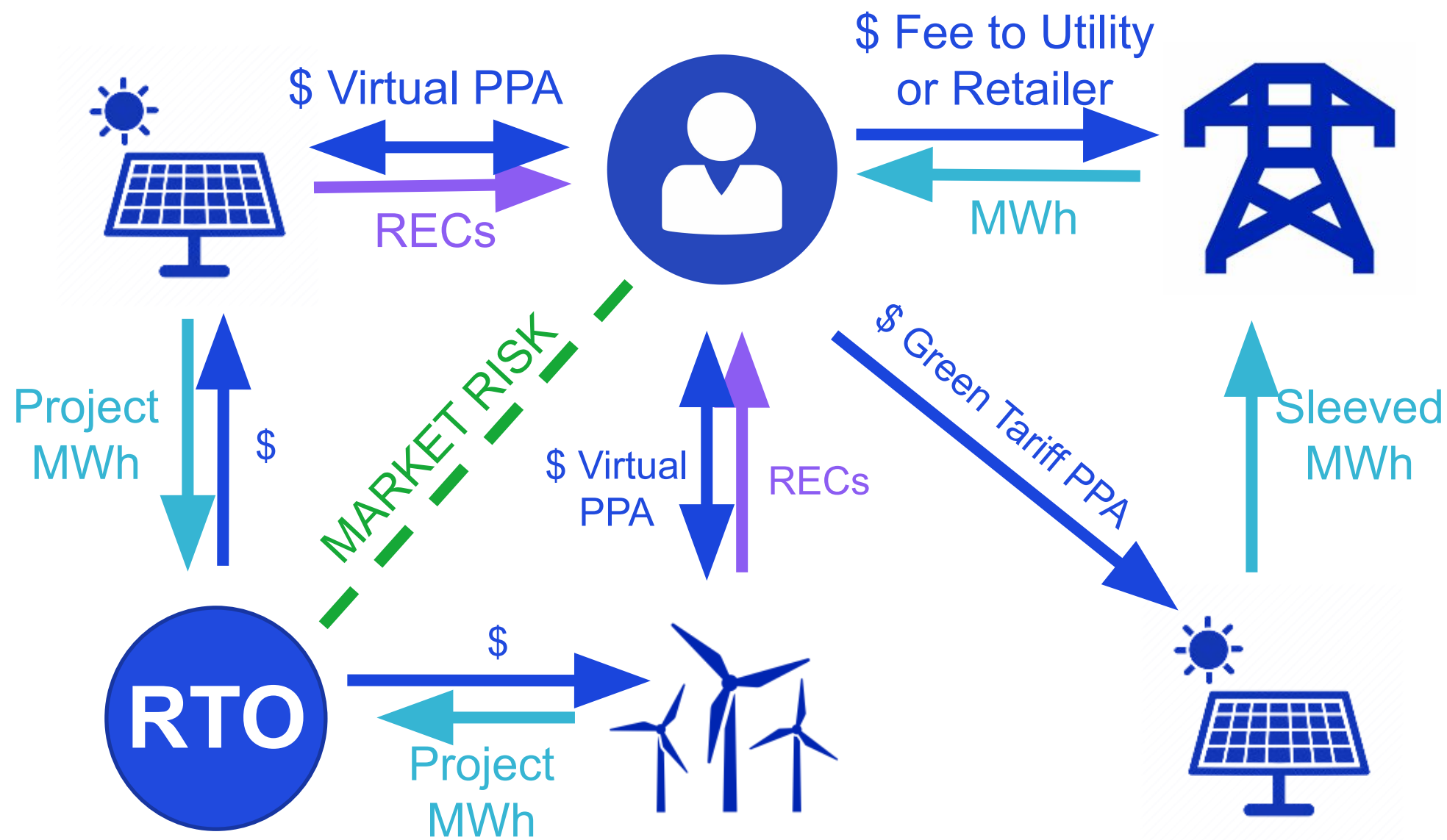
July 14, 2021

Phil Nevels
Director Strategy, AES



What is the customer problem we're trying to solve?

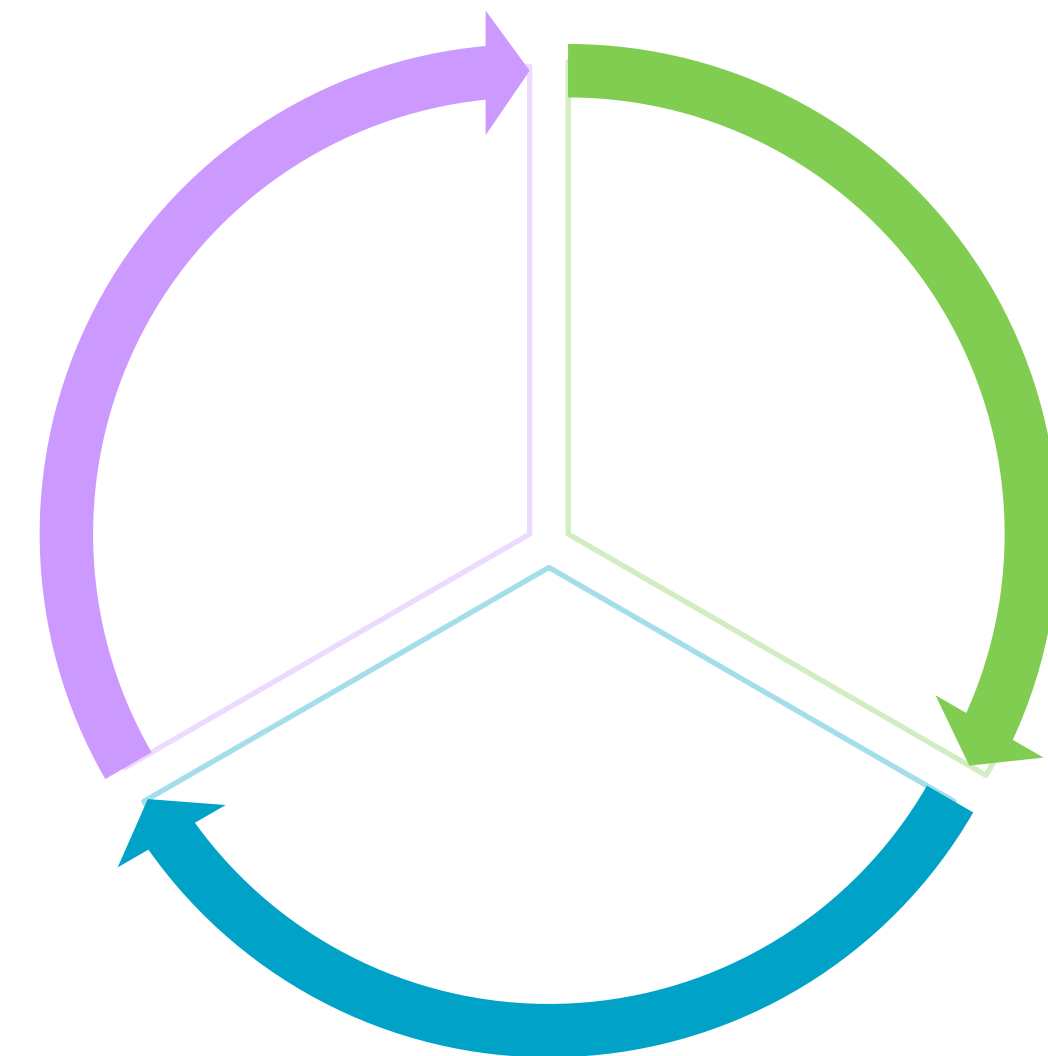
1. Reduce complexity and risk



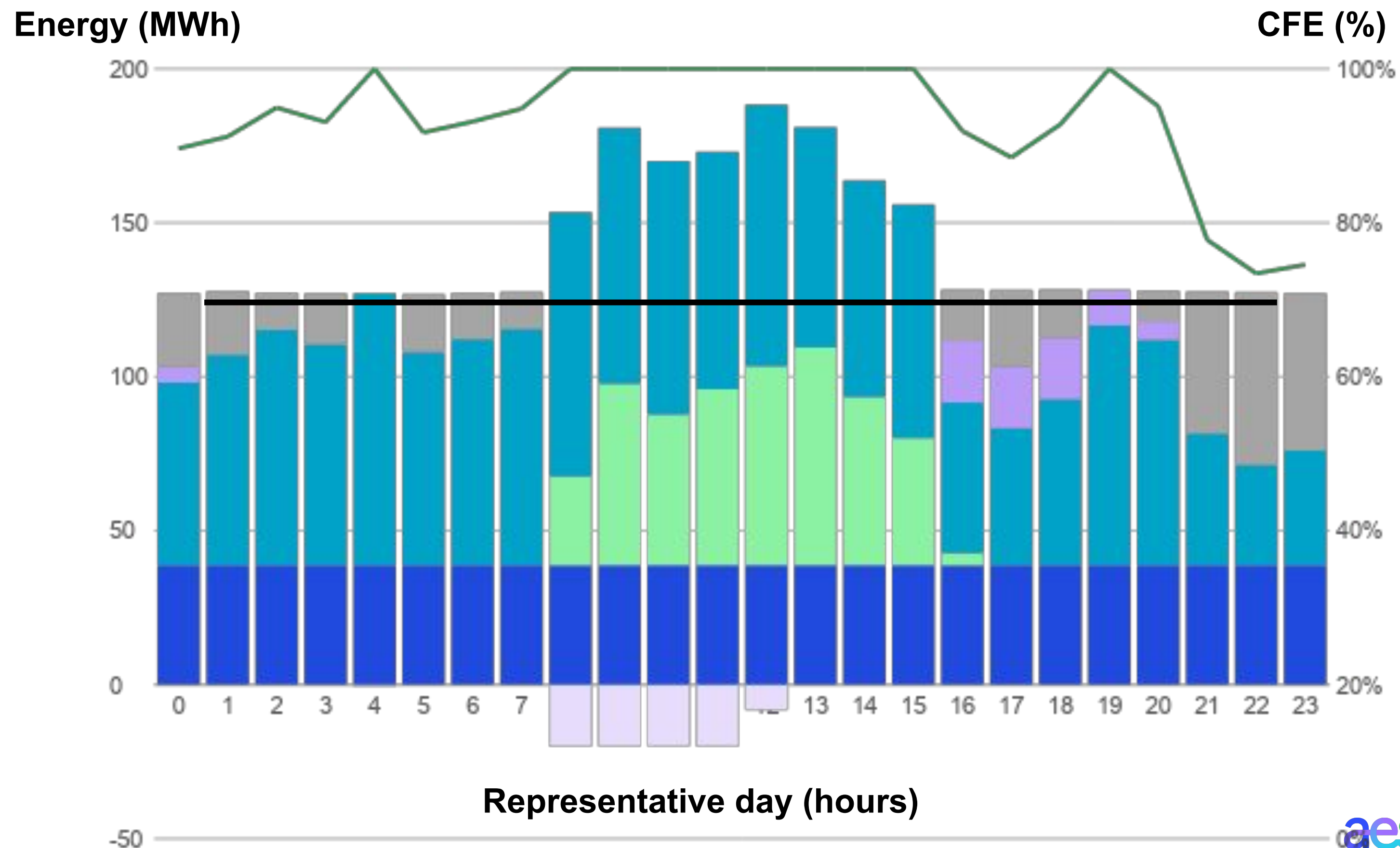
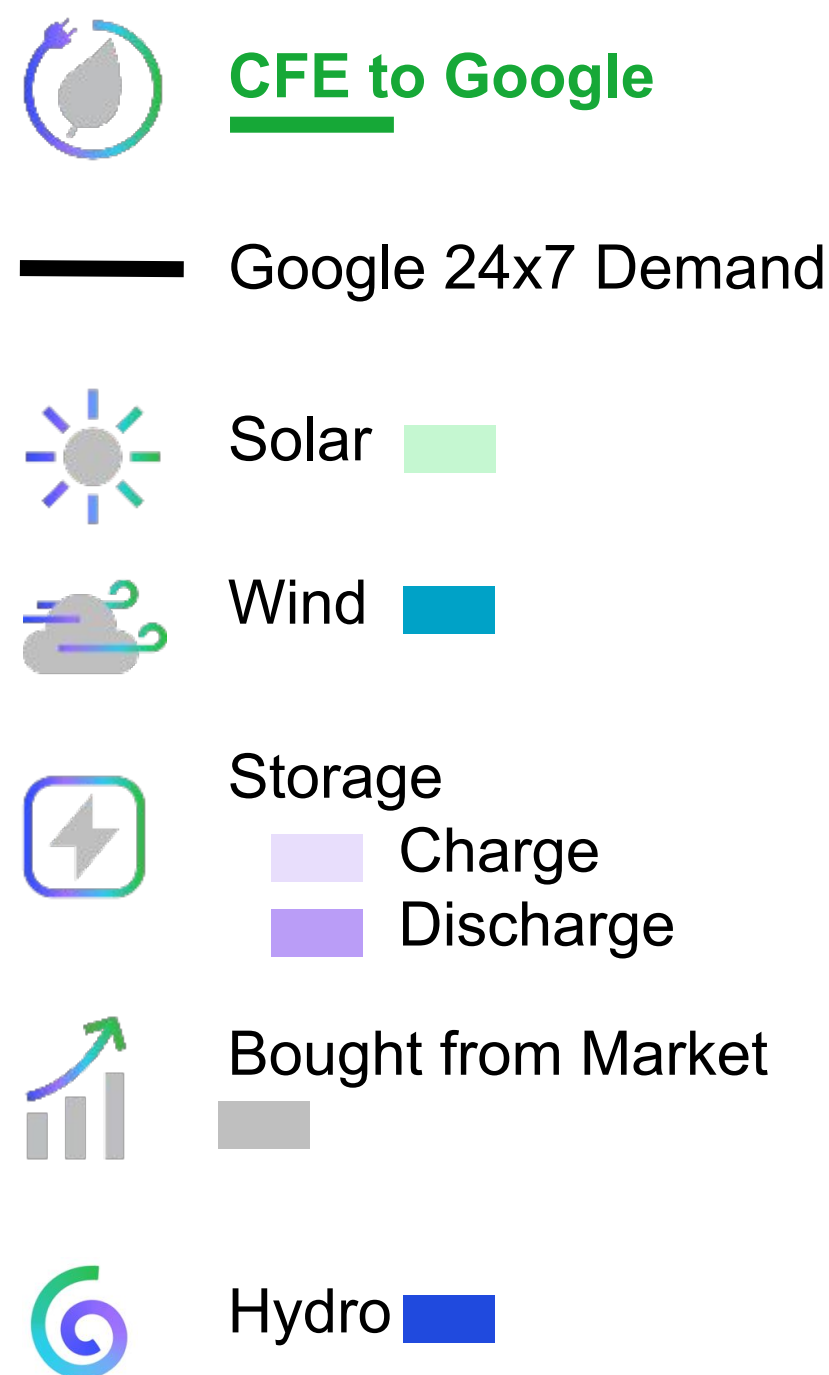
- Complex, onerous procurement
- Significant market and development risk

2. Achieve 24/7 CFE Objectives

In September, Google announced that all data centers & campuses would operate on 100% carbon-free energy 24/7 by 2030



Problem: Transmission unavailability limits required diversity of renewable resources



Coordinated data center input to PJM planning process to support transmission development

- Virginia hosts the largest data center market in the world and Northern Virginia is home to more than 20% (100) of all known hyperscale data centers worldwide
- Data centers represent a significant portion of current and future electricity consumption
- **Key Obstacle/Opportunity:** Greater transparency between data centers on renewable project structures can provide coordinated input to PJM planning process



Key Regional Benefits

More Renewables

- Achieve city/state carbon reduction goals



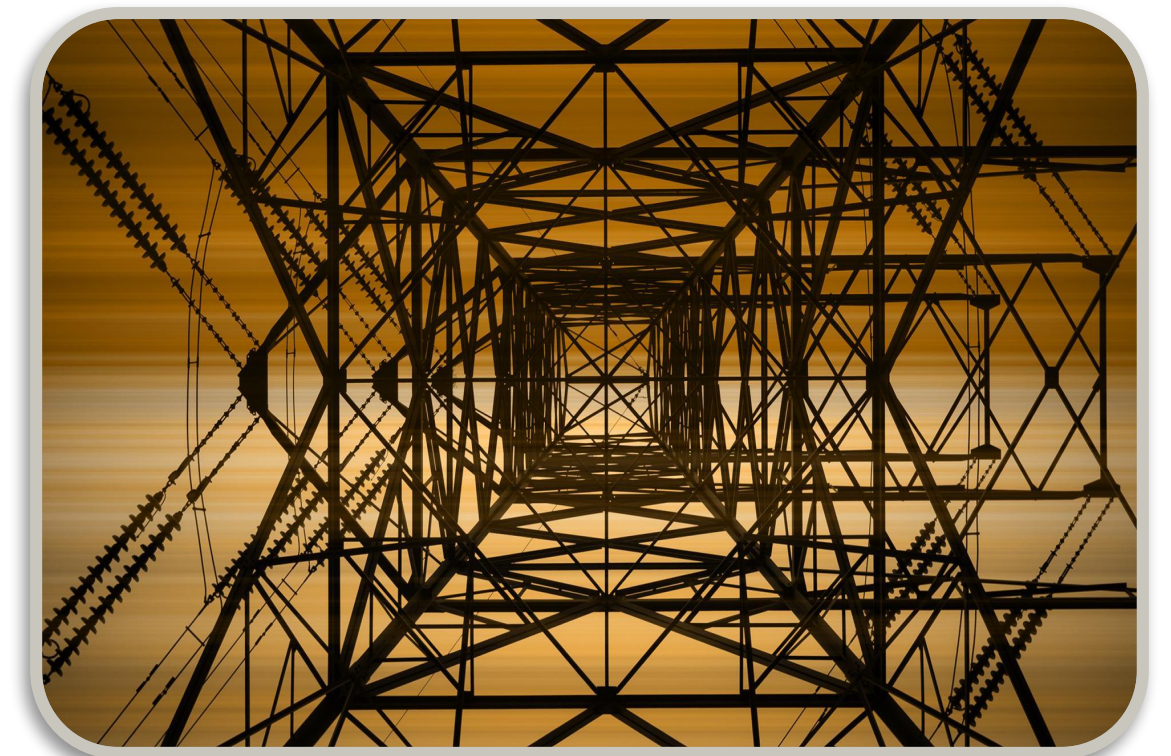
Continued Data Center Leadership

- Decarbonize grid through data centers



Grid Resiliency

- Data centers as energy suppliers



Regarding Grid Modernization, to achieve Washington D.C.'s Carbon & Equity goals, the most critical obstacle to overcome is greater coordination amongst industry groups (such as data centers) for the purpose of encouraging new transmission development in the region.