



KENTUCKY MUNICIPAL ENERGY AGENCY



KYMEA Short-Term Action Plan Selection

December 29, 2020

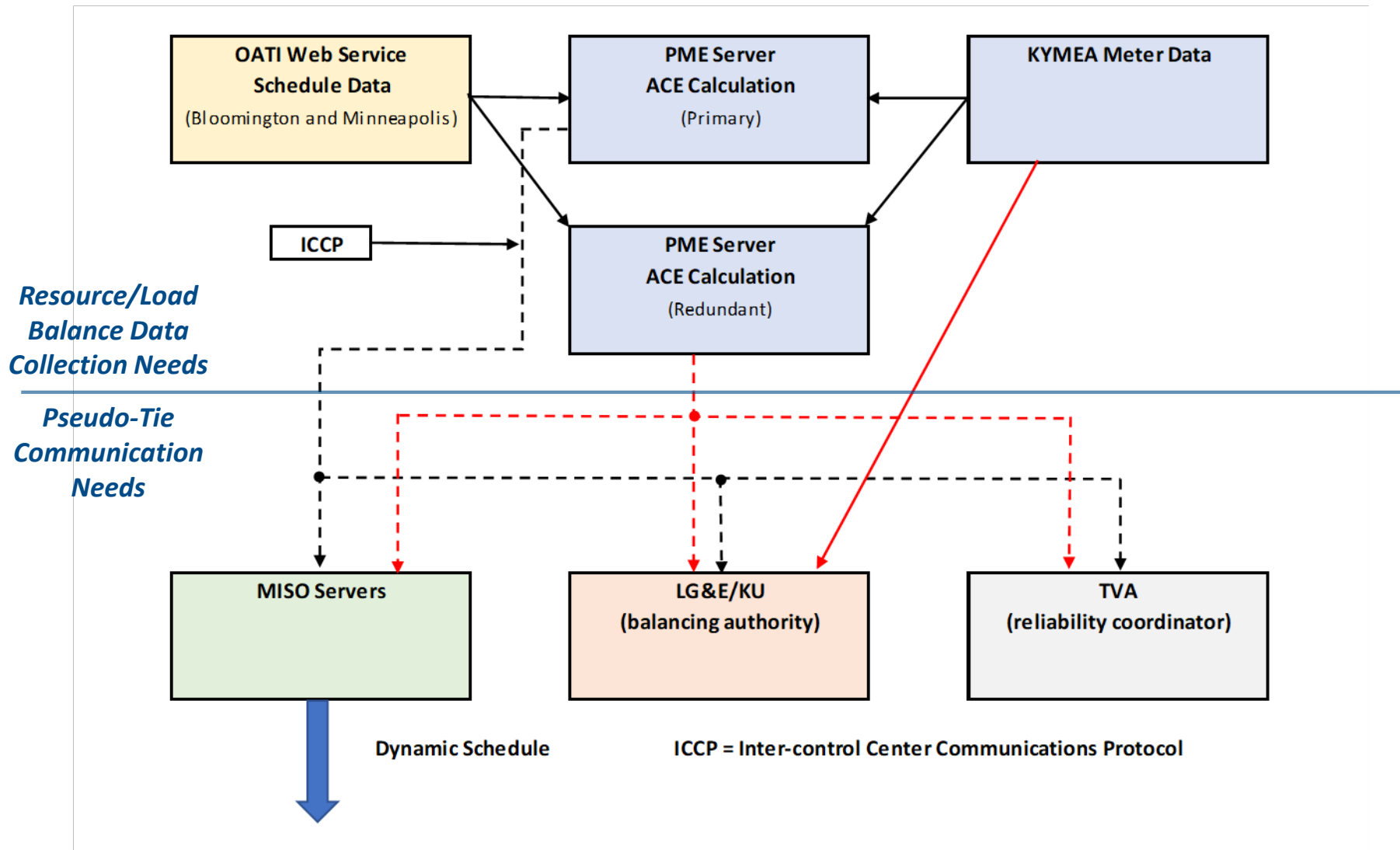
Eleven Short-Term Plans

	Firm Capacity and Reserve Margin					MISO PRA, MISO Point-to-Point Transmission, Operating Reserves					Levelized Cost millions \$ (6/2019 - 5/2027)			Levelized Cost ¢ per kWh (6/2019 - 5/2027)		
	Firm Capacity	PPS Peaking	Ashwood Solar	MISO PPA	Reserve Margin	MISO PRA	Pseudo Tie	MISO PTP	Operating Margin	N-1 OP Margin	Low Market	Base Market	High Market	Low Market	Base Market	High Market
Plan A	159	30	54	0	-17.4%	86 15.3%	75 (42 min)	185 (27) 202 (40)	1.8% 12.0%	-10.4% -0.2%	64.933 66.044	70.391 71.499	73.188 74.294	5.019 5.105	5.441 5.526	5.657 5.742
Plan B	159	90	54	0	5.5%	48 23.7%	42 (42 min)	177 (0) 177 (15) 202 (40)	20.1% 26.2% 36.4%	-16.5% -10.4% -0.2%	64.913 65.603 67.275	69.945 70.626 72.295	71.969 72.641 74.308	5.017 5.070 5.200	5.406 5.459 5.588	5.562 5.614 5.743
Plan C	159	30	54	60	5.5%	26 15.3%	74 (42 min)	177 (15) 202 (40)	1.8% 12.0%	-10.4% -0.2%	66.474 68.147	70.103 71.770	70.881 72.545	5.138 5.267	5.418 5.547	5.478 5.607
Plan D	159	45	54	45	5.5%	26 15.3%	62 (42 min)	177 (15) 202 (40)	7.9% 18.1%	-10.4% -0.2%	66.280 67.953	70.173 71.840	71.154 72.819	5.123 5.252	5.424 5.553	5.499 5.628
Plan E	159	60	54	30	5.5%	26 15.3%	49 (42 min)	177 (15) 202 (40)	14.0% 24.2%	-10.4% -0.2%	66.081 67.754	70.245 71.914	71.431 73.096	5.107 5.237	5.429 5.558	5.521 5.650
Plan F	159	30	86	0	-11.3%	77 17.9%	67 (67 Min)	177 (15) 202 (40)	1.8% 12.0%	-10.4% -0.2%	64.576 66.249	69.603 71.270	72.010 73.676	4.991 5.120	5.380 5.508	5.566 5.694
Plan G	159	75	86	0	5.9%	77 35.1%	67 (67 min)	177 (15) 202 (40)	20.1% 30.3%	-10.4% -0.2%	65.641 67.314	70.620 72.289	72.861 74.528	5.073 5.203	5.458 5.587	5.631 5.760
Plan H	159	30	86	45	5.9%	32 17.9%	67 (67 min)	177 (15) 202 (40)	1.8% 12.0%	-10.4% -0.2%	66.203 67.875	69.830 71.499	70.701 72.368	5.117 5.246	5.397 5.526	5.464 5.593
Plan I	159	45	86	30	5.9%	47 23.7%	67 (67 min)	177 (15) 202 (40)	7.9% 18.1%	-10.4% -0.2%	66.078 67.750	70.123 71.791	71.420 73.086	5.107 5.236	5.420 5.549	5.520 5.649
Plan J	159	40	86	60	15.5%	17 21.8%	67 (67 min)	177 (15) 202 (40)	5.9% 16.1%	-10.4% -0.2%	66.915 68.588	70.105 71.774	70.460 72.125	5.172 5.301	5.418 5.547	5.446 5.575
Plan K	159	60	86	30	11.7%	47 29.4%	67 (67 min)	177 (15) 202 (40)	14.0% 24.2%	-10.4% -0.2%	66.433 68.106	70.463 72.131	71.704 73.370	5.135 5.264	5.446 5.575	5.542 5.671

Short-Term Plan Motions

1. Motion to select Plan ____ and direct KYMEA CEO to implement elements of the Plan subject to as needed subsequent Board approval(s).
2. Motion to nominate the PPS Peaking Capacity to ____ MW beginning June 1, 2023.
3. Motion to either exercise or not exercise KYMEA's right of first refusal (RoFR) to take an additional 32.25 MW from the Ashwood Solar I Project.
4. Motion to direct the CEO to develop a term sheet and negotiate a purchase power agreement for ____ MW of intermediate capacity and energy with one or more identified parties from the indicative RFP responses received August 19, 2020. CEO will seek Board approval of the final PPA when contract terms have been completed.
5. CEO Action (No motion required): Based on selected Plan, CEO will move forward with the necessary LG&E/KU and MISO System Impact Studies which have been previously approved by the Board at the September 24, 2020 Board meeting.

Pseudo-Tie Schematic



Resource/Load Balance Expenses

1. Motion to approve increase in Capital Budget to \$250K (currently at \$100K) for OATIWeb and PME Resource/Load Balance Capitalized Items.
 - a) Capital Budget - \$100K (\$44K available)
 - i. OATIWeb - \$52K (one-time)
 - ii. PME Hardware/Software/Engineering ≈ \$100K (one-time)
 - iii. Exceeds Capital Budget by ≈ \$108K

2. Additional unbudgeted FY2020 related expenses.
 - a) OATIWeb - \$3,150 per month
 - b) PME Hardware/Software/Engineering Service – Monthly Fees
3. No Board action requested, should have room in FY2020 Operations Budget.