

KENTUCKY MUNICIPAL ENERGY AGENCY

PRESIDENT & CEO PERFORMANCE GOALS - 2021

KYMEA President & CEO Performance Goals
February 25, 2021

Dear KYMEA Board of Directors,

Please find attached the KYMEA President and CEO 2021 performance goals.

Performance Goals

Buresh Employment Agreement – section 3, paragraph 2, last sentence

Within sixty (60) days of Buresh's employment, and thereafter within sixty (60) days of Buresh's anniversary date, KYMEA and Buresh will mutually agree upon performance goals for Buresh so that performance goals are in place during each year of Buresh's employment.

1. Execution of Plan E (KYMEA Board approved Plan E on 12/29/2020)

- Complete steps/processes for 15 MW MISO point-to-point transmission path (June 2022 – May 2027).
- Complete agreement for a 30 MW PPA for intermediate capacity and energy sourced out of the MISO market (June 2022 – May 2027).
- Implement a MISO Dynamic Scheduling mechanism to address operational challenges with Ashwood Solar I dispatch (intermittent generation/load balancing).
- Examine the need for additional capacity from either the MISO Planning Resource Auction (PRA) and/or the bilateral capacity market.

2. Integrated Resource Plan (IRP)

- Complete analysis to consider plans addressing the Agency's long-term needs (2027 – 2042).
- Complete draft IRP report in 2nd quarter for Board review.
- Release final IRP report by June 30, 2021.

3. KYMEA/Member Status Updates

- CEO to visit each member community at least once annually.
- CEO to provide updates to executive directors monthly or more frequently if needed.

4. Depancaking

- Continue to work with KYMEA FERC counsel regarding depancaking litigation.
 - FERC Protest: LG&E/KU Transition Mechanism.
 - Federal Legal Challenge: U.S. Court of Appeals for the D.C. Circuit.



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5. Strategic Priorities

- Financial Health Metrics: Score KYMEA financial health metrics scorecard by June 30th annually.
- Communication & Education: Host two training and educational events annually.
Note: This priority is subject to meeting COVID-19 health and safety restrictions.
- Member Growth: Visit three potential members annually.
Note: This priority is subject to meeting COVID-19 health and safety restrictions.
- Member Services: Identify and evaluate a new member service in 2021.
- Low-Cost Power Supply: Develop wholesale rate benchmarks by June 30, 2021.
- Strategic Retreat: Facilitate an annual strategic retreat to review and update the agency's strategic plan.
- Risk Mitigation: Continue to meet with Board Risk Oversight Committee (BROC) to assess, report on, and develop mitigation measures.

6. Member Communications

- Distribute Quarterly Newsletters.
- Release Annual Report by November 2021.

7. Finance and Accounting

- Complete FY2021 Annual Audit with External Auditor's Report to the Board by September 2021 Board meeting.
- Continue to develop reporting tools and dashboards.
- Review and maintain an appropriate line of credit.

8. Legislation and Government Affairs

- Work with KMUA, APPA, KLC, KIC, KACO, and other partners on mutually beneficial legislation and activities.
- Continue outreach efforts at the local, state, and federal level.
- Develop a mutually beneficial working relationship with other municipal utilities, cooperatives, TVA distributors and generators.

9. Ashwood Solar I Project

- Monitor progress of Ashwood project to ensure the project remains on schedule.
- Develop groundbreaking and ribbon cutting ceremony activities.
- Assist KYMEA communities with economic development opportunities by promoting the Ashwood Solar I project and SEPA for companies interested in a net-zero carbon footprint.

10. All-Requirements Rate Design

- Establish Energy and Demand Rates that considers the changing power supply portfolio (Vistra replaced by Ashwood), that balances stable and competitive rates with the agency's financial health metric and cash reserve policy.

11. Market Analytics

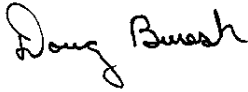
- Continue to assess KYMEA's energy and capacity position and hedge according to agency's hedge plan



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- Continue to develop and automate data transfer between operations, planning, and finance. Work with KMUA, APPA, KLC, KIC, KACO, and other partners on mutually beneficial legislation and activities.

Sincerely,



Doug Buresh
President & CEO
Kentucky Municipal Energy Agency

