



For Immediate Release

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Grid Assurance™ Files Second Petition for Declaratory Order with the Federal Energy Regulatory Commission

Critical transmission equipment service company seeks additional declarations from FERC.

COLUMBUS, Ohio, Dec. 4, 2015 – Grid Assurance™ today filed its second petition with the Federal Energy Regulatory Commission (FERC) seeking additional declarations that will provide regulatory clarity, to further enable transmission-owning entities to participate in and subscribe to the service to strengthen transmission grid resiliency.

On June 10, eight electric utilities and energy companies announced that they had signed a memorandum of understanding to pursue development of Grid Assurance™, a limited liability company that expects to offer subscribers cost-effective solutions for enhancing transmission grid resiliency and protecting customers from prolonged transmission outages. In an Aug. 7 order, FERC recognized the benefits of Grid Assurance™. The consortium has since developed a Subscription Agreement and now is seeking additional regulatory clarity from FERC to enable broader transmission owner participation.

In today's petition, Grid Assurance™ is asking FERC to confirm:

- the prudence of subscriber decisions to contract with Grid Assurance™ for sparing service, and the prudence of purchasing spare equipment from Grid Assurance™ following a qualifying event;
- the availability of single-issue ratemaking to recover the costs of purchasing sparing service and spare equipment from Grid Assurance™; and
- that Grid Assurance™'s pricing complies with FERC's affiliate pricing restrictions related to the purchase of non-power goods, or, alternatively, to grant a waiver from these affiliate pricing restrictions for Grid Assurance™ subscribers.

Grid Assurance™ has requested a declaratory order on this petition by early February.

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Grid Assurance™ expects to begin accepting subscribers and identifying inventory in 2016. Grid Assurance™ will own and maintain critical, long lead-time equipment at secure, strategically located regional warehouses and offer logistics support to facilitate equipment being placed in service following qualifying events. Qualifying events include physical attacks, cyberattacks, electromagnetic pulses, catastrophic events, solar storms, earthquakes, and severe weather events. Grid Assurance™ services are intended to complement transmission owners' existing programs as well as established industry initiatives.

Affiliates of American Electric Power (NYSE:AEP), Berkshire Hathaway Energy, Duke Energy (NYSE:DUK), Edison International (NYSE:EIX), Eversource Energy (NYSE:ES), Exelon (NYSE:EXC), Great Plains Energy (NYSE:GXP), and Southern Company (NYSE:SO) are pursuing development of Grid Assurance™, a limited liability company, to offer subscribers cost-effective solutions for enhancing transmission grid resiliency. Recovery of the transmission grid can be hampered by long lead times required to build and deliver critical replacement equipment including large transformers, circuit breakers and other specialized electrical equipment. Grid Assurance™ will give subscribers economical access to critical equipment faster than traditionally possible.

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