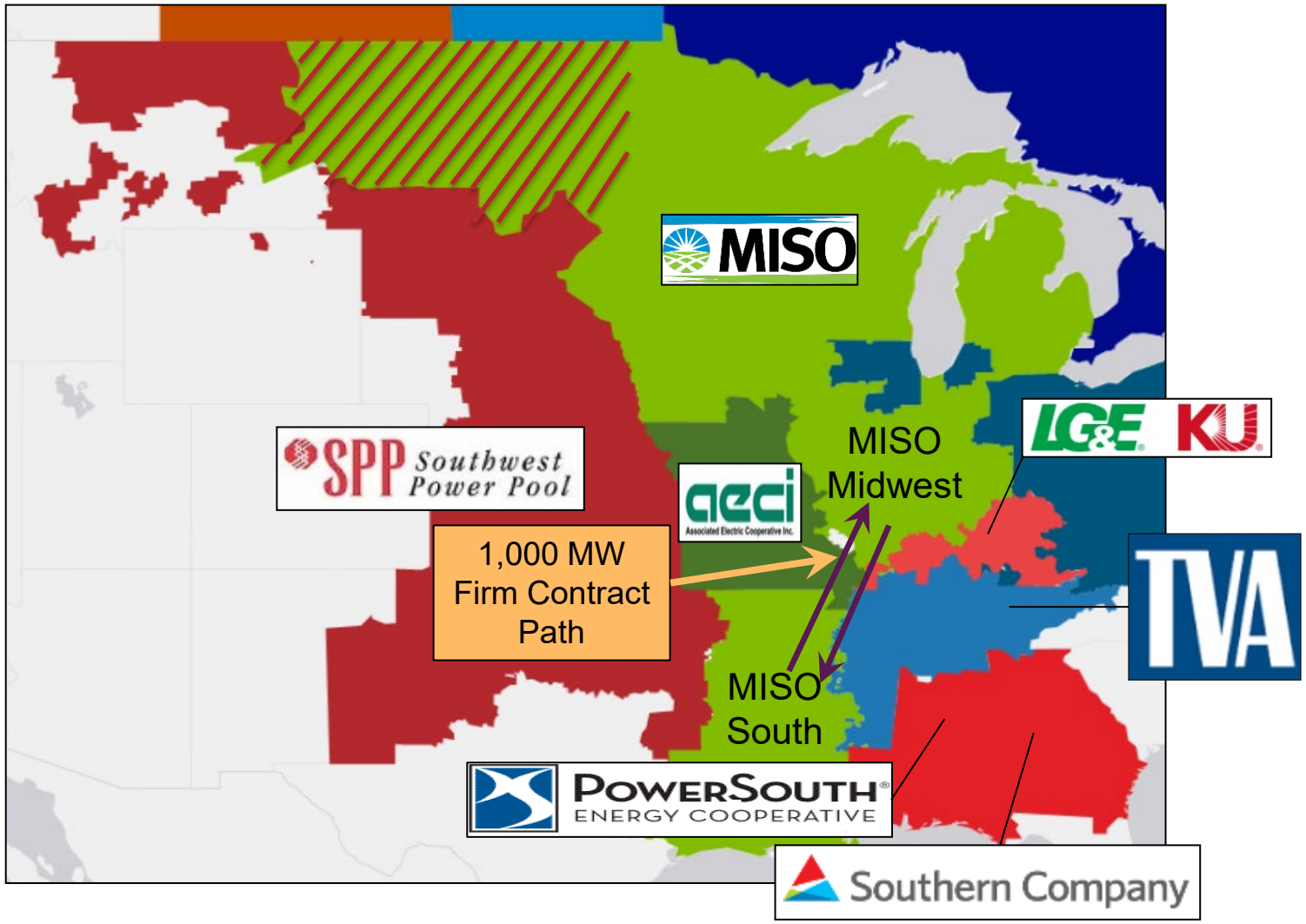
Regional Directional Transfer Update

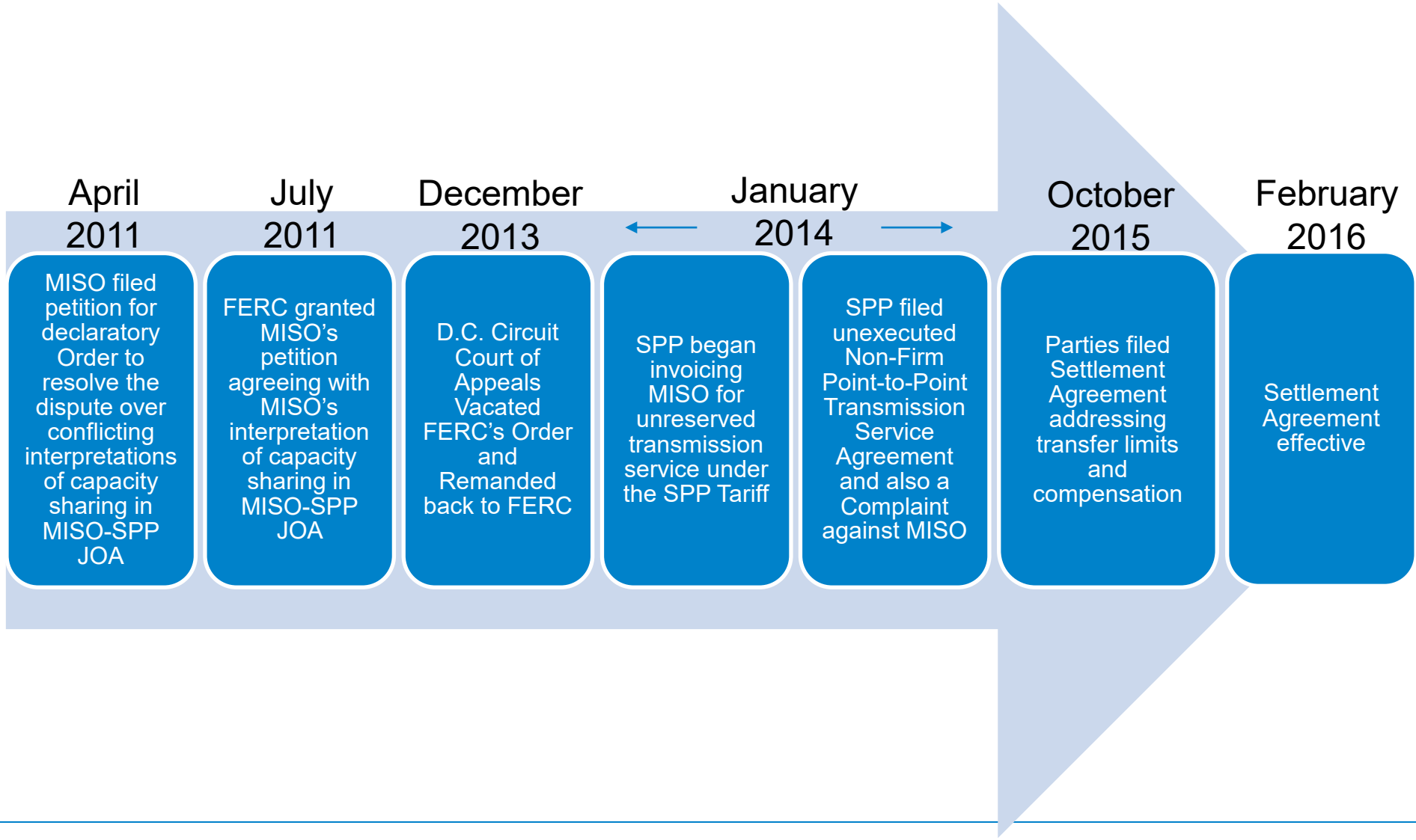
OMS Annual Meeting

October 20, 2022

MISO-SPP-Joint Parties Settlement Agreement Entities



How did we end up with the MISO-SPP-Joint Parties Settlement Agreement?



Key Provisions: Regional Transfer Limits

- MISO currently has 1,000 MW of firm contract path between the MISO Midwest* and South regions
- MISO, SPP and the Joint Parties agreed to the following total Regional Directional Transfer Limits (RDTLs):
  - Midwest to South Limit: 3,000 MW (2,000 MW being non-firm, as available)
  - South to Midwest Limit: 2,500 MW (1,500 MW being non-firm, as available)
- If MISO exceeds the RDTLs MISO will take action consistent with Good Utility Practice to reduce the Regional Directional Transfer flow to the applicable RDTL within 30 minutes
- Settlement Agreement does provide the ability for MISO, SPP, or the Joint Parties to request a temporary change in the RDTL (increase or decrease) to avoid or address a system emergency provided it does put another entity in a system emergency

* MISO Midwest is defined as the MISO North and Central regions

Key Provisions: Determining Payments to SPP and Joint Parties

- Payments based on MISO's Available System Capacity (ASC) usage
- ASC usage calculated annually to determine payment to SPP and Joint Parties for the upcoming year
- ASC Usage Payment Structure

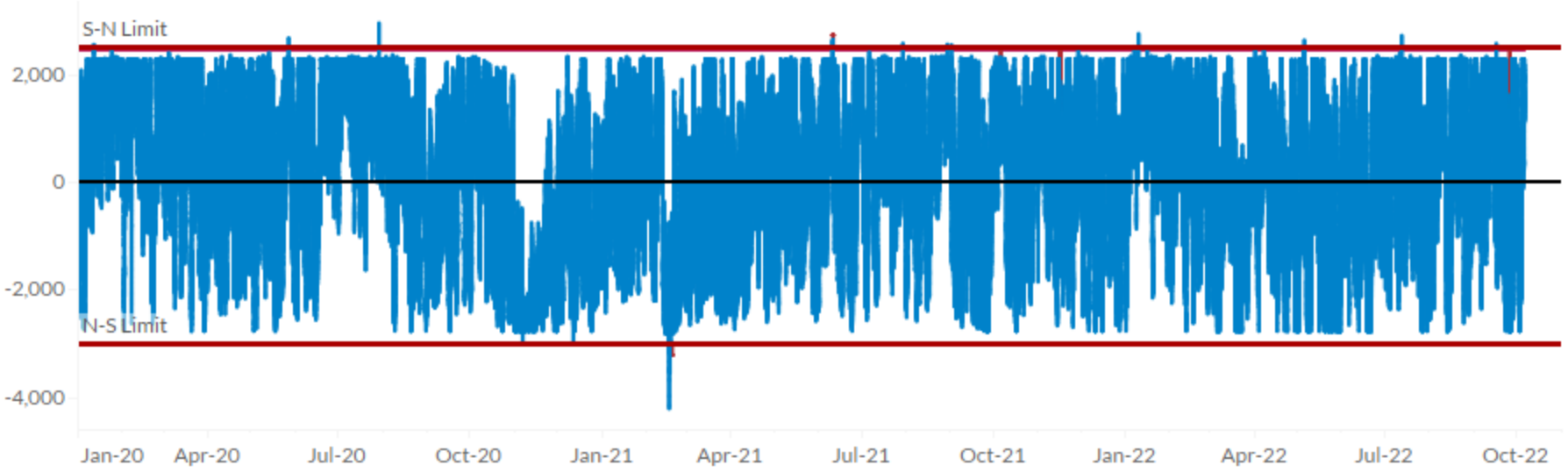
ASC Usage	Monthly Payment	Annual Costs
Less than 20%	$1.33 million	$16 million
20% to 70%	$2.25 million	$27 million
More than 70%	$3.17 million	$38 million

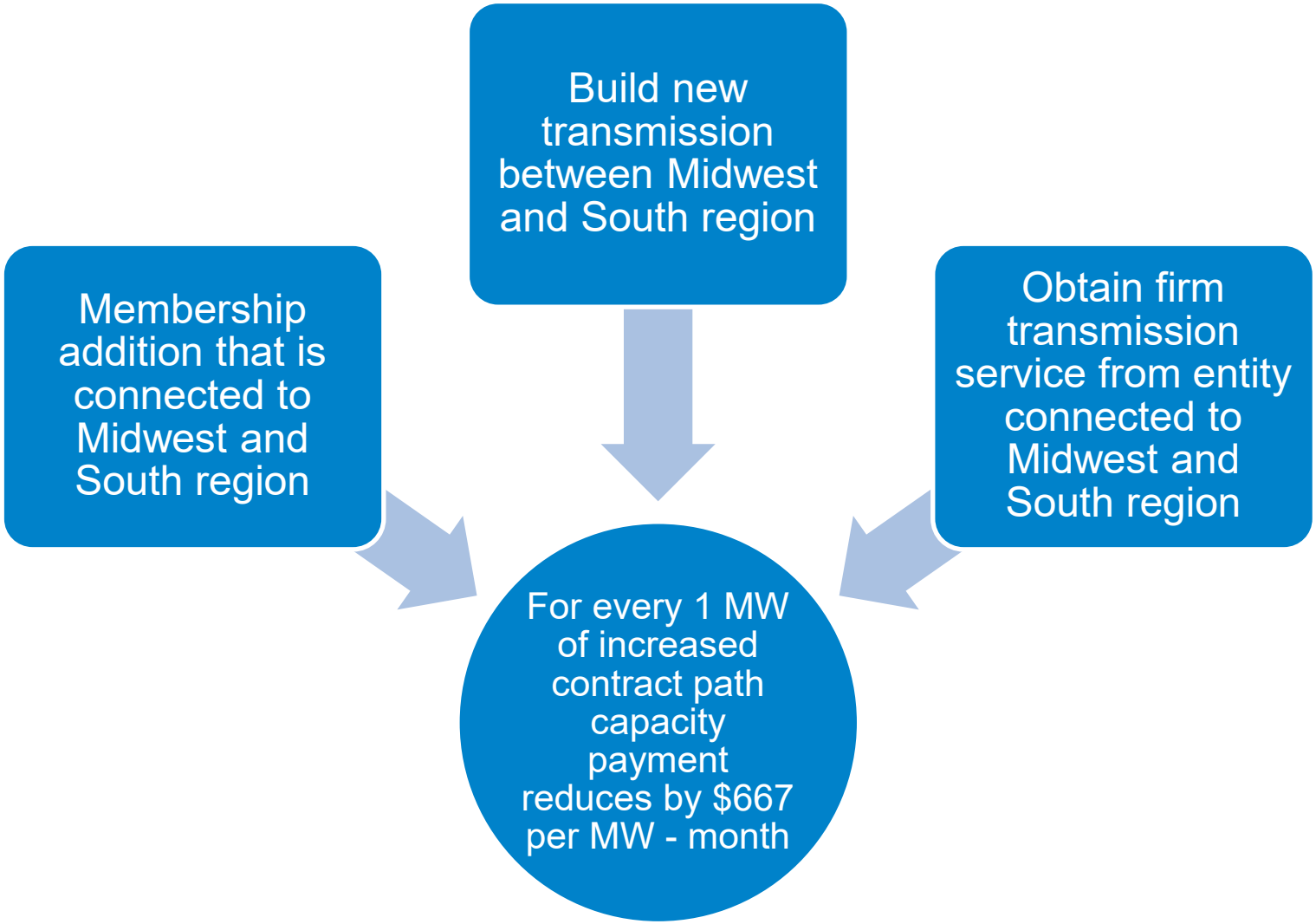
- Payment is settled monthly with SPP and Joint Parties
- Beyond 2021 payments would start to escalate at 2% annually for usage below 70% and 4% annually if above 70%

Regional Directional Transfer (RDT) flows have been relatively balanced between the two MISO subregions

2020		2021		YTD	
Average RDT Flow (MW)		Average RDT Flow (MW)		Average RDT Flow (MW)	
N-S	S-N	N-S	S-N	N-S	S-N
1,336	1,293	1,147	1,088	1,221	1,201

Regional Directional Transfer Flow (MW) for 2020 through YTD



YTD data through October 5, 2022

Key Provisions: Settlement Agreement defined methods to increase contract path capacity