

For immediate release

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AES Breaks Ground on 400 MWh Energy Storage Project in Southern California

Fluence Battery Storage System to Provide Sustainable, Reliable Energy for Southern California Edison Customers

LONG BEACH, Calif., June 27, 2019 – AES Alamitos, a subsidiary of [The AES Corporation](#) (NYSE: AES), announces the groundbreaking of a 400 megawatt-hour (MWh) battery-based energy storage system for Alamitos Energy Center (AEC) as part of a larger modernization and replacement project of the existing AES Alamitos Generating Station. The energy storage facility in Long Beach will provide up to 400 MWh of local energy to ensure power flexibility and reliability for Southern California Edison (SCE) customers, while helping the state meet its aggressive target of 100 percent clean energy by 2045.

While the AES Alamitos facility was procured specifically to provide power at times of peak demand, it will also support grid modernization, increase the integration of renewable energy, and lower costs and greenhouse gas emissions. Supplied by Fluence, a leading energy storage and technology services provider, the storage used for the project will include the company's Advancion 5 batteries and control systems; when fully charged, the batteries will be able to supply power to tens of thousands of homes in milliseconds.

“California’s goals for a cleaner, more sustainable energy future are fundamentally changing the use and design of the electric grid,” said Ken Zagzebski, President of AES Southland. “We’re constructing a state-of-the-art energy storage system with Fluence that will help the state integrate more renewable power, employ the highest efficiency technology and focus on energy performance for SCE and its customers.”

“Alamitos energy storage will stand as the first of a new generation of energy storage procured as stand-alone alternatives to new gas plants. It represents a whole new way to think about capacity and reliability,” said John Zahurancik, Chief Operating Officer for Fluence. “Its size, flexibility and long duration stand as a benchmark, and showcase energy storage as a mainstream option for peaking power and grid support. Energy storage market growth and innovation can only accelerate from here, and we will continue to partner with industry leaders like AES and Southern California Edison as together we transform the way we power our world.”

AES Southland was awarded a 20-year power purchase agreement (PPA) by SCE in 2014 to provide 100 MW of interconnected energy storage. It is part of a \$2 billion repowering initiative in Long Beach to replace aging natural gas peakers with a combination of efficient combined-cycle gas capacity and battery energy storage, which is now a viable alternative to replace traditional thermal generation to meet peak power demands.

Together with the AES AEC combined-cycle gas turbine (CCGT), this project will result in more than \$132 million in local purchases, 1.48 million hours in construction-related work, and a payroll of over \$315 million. At completion – projected for late 2020 -- the new AEC will not only be cleaner and more responsive to California’s energy needs, but it will also contribute between \$12.3 and \$14.6 million annually to the local economy.

“Energy storage is our most flexible resource. It can charge or discharge virtually instantaneously and helps us to maximize our use of renewable energy on the grid,” said Colin Cushnie, Vice President Power Supply for Southern California Edison. “Projects such as this signal a new direction for how we can meet our customers’ need for reliable energy with a clean mix of resources.”

About AES



The AES Corporation (NYSE: AES) is a Fortune 500 global power company. We provide affordable, sustainable energy to 15 countries through our diverse portfolio of distribution businesses as well as thermal and renewable generation facilities. Our workforce is committed to operational excellence and meeting the world's changing power needs. Our 2018 revenues were \$11 billion, and we own and manage \$33 billion in total assets. To learn more, please visit www.aes.com. Follow AES on Twitter @TheAESCorp.

About Fluence

Fluence, a Siemens and AES company, is a global leader in the market for utility-scale energy storage technology and services, combining the agility of a technology company with the expertise, vision, and financial backing of two industry powerhouses. Established in 2018 as the successor to industry pioneers AES Energy Storage and Siemens energy storage, Fluence's goal is to create a more sustainable future by transforming the way we power our world. The company offers proven energy storage solutions designed to address the diverse needs and challenges of customers in a rapidly changing energy landscape. One of Fast Company's Most Innovative Companies for 2019, Fluence has now deployed or been awarded about 1 gigawatt of energy storage projects in 18 countries. To learn more, please visit <http://fluenceenergy.com/> and follow Fluence on Twitter at @FluenceEnergy.

AES Safe Harbor Disclosure

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, those related to future earnings, growth and financial and operating performance. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute AES' current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to, our accurate projections of future interest rates, commodity price and foreign currency pricing, continued normal levels of operating performance and electricity volume at our distribution companies and operational performance at our generation businesses consistent with historical levels, as well as the execution of PPAs, conversion of our backlog and growth investments at normalized investment levels and rates of return consistent with prior experience.

Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties and other factors. Important factors that could affect actual results are discussed in AES' filings with the Securities and Exchange Commission (the "SEC"), including, but not limited to, the risks discussed under Item 1A: "Risk Factors" and Item 7: Management's Discussion & Analysis in AES' 2018 Annual Report on Form 10-K and in subsequent reports filed with the SEC. Readers are encouraged to read AES' filings to learn more about the risk factors associated with AES' business. AES undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Any Stockholder who desires a copy of the Company's 2018 Annual Report on Form 10-K filed February 27, 2019 with the SEC may obtain a copy (excluding Exhibits) without charge by addressing a request to the Office of the Corporate Secretary, The AES Corporation, 4300 Wilson Boulevard, Arlington, Virginia 22203. Exhibits also may be requested, but a charge equal to the reproduction cost thereof will be made. A copy of the Form 10-K may be obtained by visiting the Company's website at www.aes.com.



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