

Investor **Site Visit** Day

SUSQUEHANNA & CUMULUS | OCTOBER 24, 2023



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Today's **Agenda**

1 Welcome & Safe Harbor

Ellen Liu | Sr. Director, Investor Relations

2 Introduction

Mac McFarland | President & Chief Executive Officer

3 Capital Allocation Update

Terry Nutt | Chief Financial Officer

4 Susquehanna: Zero-Carbon Nuclear Power

Brad Berryman | Sr. Vice President & Chief Nuclear Officer

5 Cumulus: Zero-Carbon Digital Infrastructure

Cole Muller | General Manager, Cumulus

Kevin Dalton | Chief Data Center Officer, Cumulus Data

Introduction



Susquehanna: Zero-Carbon Nuclear Power

- The cornerstone of our low-carbon intensity fleet, with a highly experienced team and top-quartile cost efficiency¹
- 2.2 GW² of 24x7 carbon-free energy that is key to a holistic energy transition
- Stable base cash flows supported by the nuclear production tax credit
- Significant upside opportunity from our digital infrastructure campus



Cumulus: Zero-Carbon Digital Infrastructure

- The first 24x7 carbon-free, direct-connect digital infrastructure campus
- Integrated data center solution, providing behind-the-meter power, fiber and other necessary services
- Recent data center market tailwinds have strengthened the value proposition
- Focused on capturing value through monetization and maximizing it through scale



Capital Allocation Update

- Announcing \$300 million share repurchase program³

1. Based on 2022 EUCG benchmarking of all-in costs across the U.S. nuclear industry, which includes opex, capex and allocated corporate G&A.
2. Talen's 90% interest of 2.5 GW of gross capacity.
3. Share repurchase program has been authorized by the Board through the end of 2025.

Susquehanna + Cumulus: Multiple Paths to Cash Flow Generation & Unlocking Enterprise Value



Power Sales Supported by PTC Illustrative Susquehanna Cash Flow Generation (2024 – 2025)

Power Sold to Wholesale Market ¹	~17.2 – 17.5 TWh
All-in Price (with PTC) for Wholesale Market ²	~\$44 – \$45/MWh
Less: All-in Cost ³	~\$23 – \$24/MWh
Implied Cash Flow Margin	~\$20 – \$22/MWh
Cash Flows for Power Sold to Wholesale Market⁴	~\$345 – \$385mm
Cash Flows for Power Submetered to Coin Lease⁵	~\$13 – 14mm
Total Annual Asset Cash Flows	~\$360 – \$400mm



Nuclear-Powered Digital Infrastructure

Value Creation Opportunities:

Monetization of campus investment through a sale or JV transaction and incremental Susquehanna cash flows from PPAs at “win-win” prices

Illustrative Incremental Cash Flow to Susquehanna from Long-term PPA

Illustrative PPA	240 MW
Annual PPA Consumption ⁶	~2.1 TWh
Illustrative PPA Price	\$70/MWh
Price Margin above PTC (\$45)	\$25/MWh
Incremental Annual Asset Cash Flows⁷	~\$53mm

1. Calculated as 2.2 GW at 94 – 96% capacity factor, resulting in ~18.5 – 18.8 TWh, less ~1.3 TWh power submetered to Coin facility lease.
2. All in-price represents gross receipts plus PTC up to maximum threshold; Talen assumes revenues from affiliates (e.g., Coin lease) are not included in gross receipts.
3. Based on EUCG benchmarking, which includes opex, capex and allocated corporate G&A. Includes \$2/MWh allocated corporate G&A.
4. Implied Cash Flow Margin × Power Sold to Wholesale Market.
5. Calculated as (price of power submetered to Coin facility lease less all-in cost) × 1.3 TWh.
6. Calculated as 240 MW × 365 days × 24 hours/day.
7. Calculated as Annual PPA Consumption × Price Margin above PTC.

Announcing \$300mm Share Repurchase Program



Given our modest leverage (<2.0x net leverage¹ as of Q2 2023) and projected cash flow generation, the Board has authorized a **\$300mm share repurchase program**



Talen is **committed to returning capital to our shareholders** and intends to execute repurchases on an opportunistic basis



At recent share prices of \$50 – \$54/share, \$300mm of share repurchases would reflect a **~10% reduction in market capitalization**

1. Calculated as debt of \$2,201mm less unrestricted cash of ~\$140mm as of 8/11/2023 divided by the 2023E Adjusted EBITDA guidance range of \$1,070 – \$1,245mm. Please see the Second Quarter 2023 Earnings Presentation for more detail on Adjusted EBITDA.

Susquehanna: Zero-Carbon Nuclear Power

BRAD BERRYMAN | CHIEF NUCLEAR OFFICER



Susquehanna: 24x7 Carbon-Free Power

- ✓ 6th largest U.S. nuclear facility, with dual units and 2.5 GW gross capacity
- ✓ Licensed through 2042/2044, and beginning work on additional 20-year extensions
- ✓ Top-quartile cost efficiency
- ✓ Supported by up to \$15/MWh Production Tax Credit¹
- ✓ Nuclear fuel fully contracted through 2025 reload and substantially through 2028 reload
- ✓ Nuclear decommissioning trust fully funded

1. Maximum PTC benefit in 2024, excluding impact of inflation.



Susquehanna: By the Numbers

Full Name	Susquehanna Steam Electric Station (SSES)
Capacity	Gross: ~2.5 GW Net to Talen's 90%: ~2.2 GW
Nuclear Technology	Dual-Unit Boiling Water Reactor
Operating Structure	Single Operator (Talen)
Commercial Operation Date	1983 (Unit 1) / 1985 (Unit 2)
Licensed Through	2042 / 2044 (20-year extensions expected)
Marketplace	PJM-PPL / MAAC
Number of Employees	~940
Estimated Annual Generation	~18.5 – 18.8 TWh ¹
Estimated Annual Asset Cash Flows²	~\$360 – \$400mm

1. Based on an assumed 94 – 96% capacity factor.
2. See p. 5 for calculation details.



Susquehanna's Journey: Today and Beyond



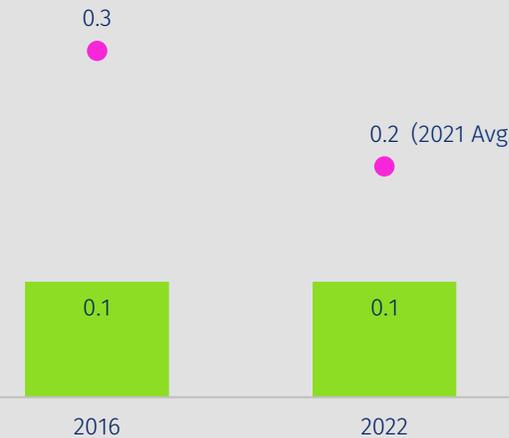
Journey to Today

- Engaged workforce at all levels to focus on **safety, reliability and cost**
- **Improved cost structure** without damaging culture
- **Simplified** organization and processes
- Maintained safety **better than nuclear industry average**

Our Future

- Continue to identify and eliminate risk through **proactive maintenance / upgrades**
- Continue our focus on **keeping reliability high**
- Continue applying capital where we **get the best return**

Total Recordable Incident Rate (TRIR)¹



All-In Cost (\$/MWh)³



1. TRIR is equal to the number of recordable incidents x 200,000 / total number of manhours worked.
 2. Per the latest available data from the Bureau of Labor Statistics.
 3. Based on EUCG benchmarking; 2022 Nuclear Industry Top Quartile is across the U.S. nuclear fleet.

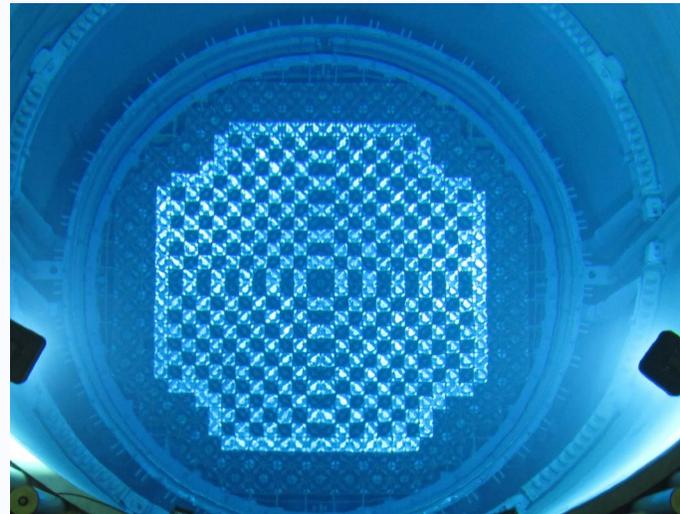
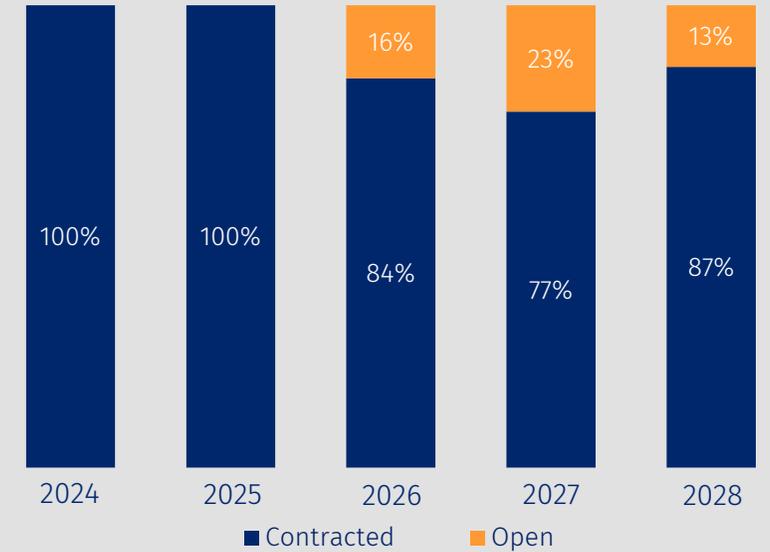
Nuclear Fuel Update

- Nuclear fuel procurement is a **four-phase process**
- We contract fuel **years in advance** to avoid near-term cost variability
- We negotiate new contracts on a rolling basis and **minimize exposure to index prices** for uranium
- We have diverse relationships with the industry's biggest suppliers and **no Russian counterparty exposure**

2024 Fuel Reload Cost Breakdown



% Price Contracted by Fuel Reload Year



Video: Unit 2 Refueling



Cumulus: Zero-Carbon Digital Infrastructure

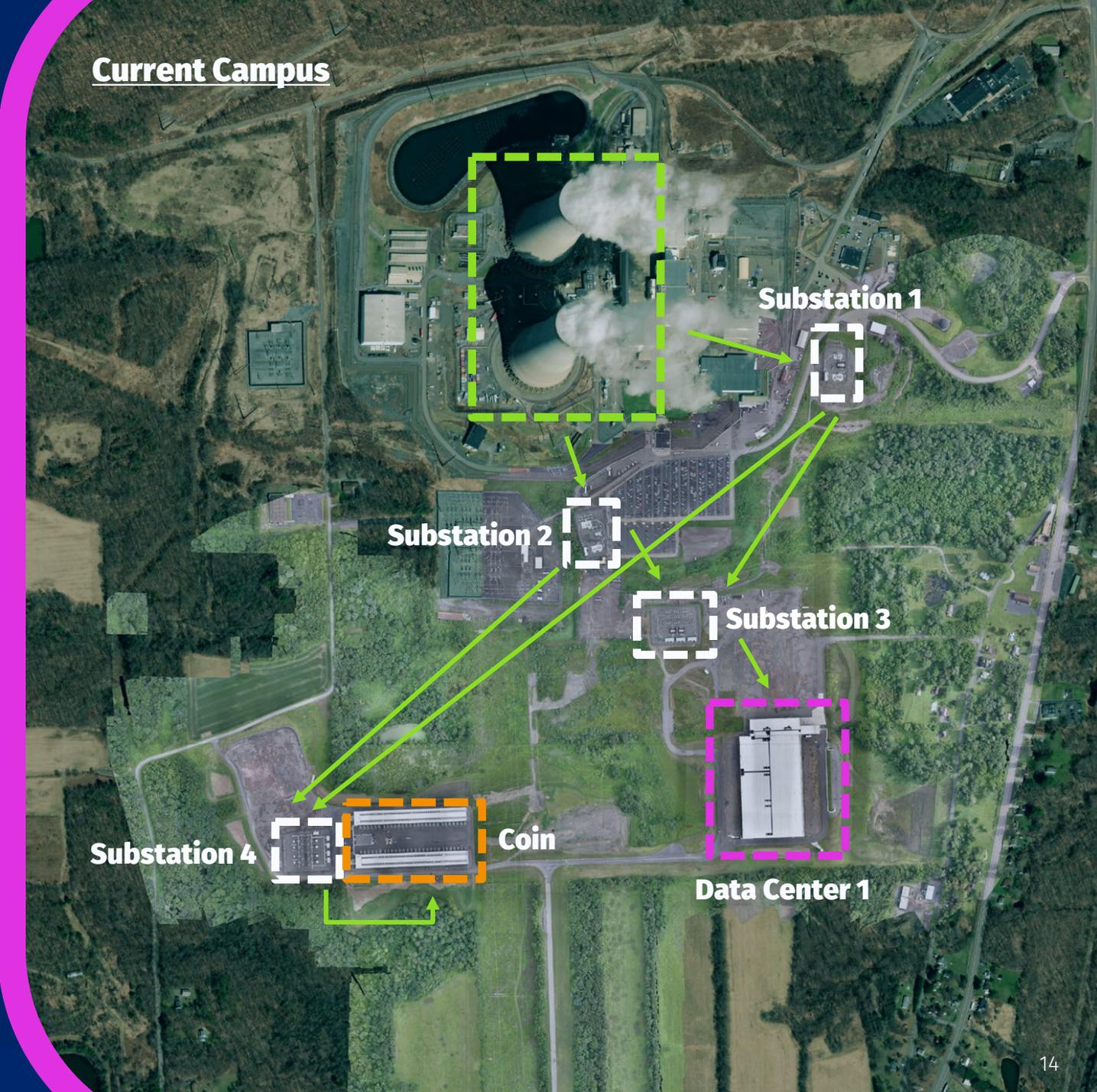
COLE MULLER | GENERAL MANAGER, CUMULUS

KEVIN DALTON | CHIEF DATA CENTER OFFICER, CUMULUS

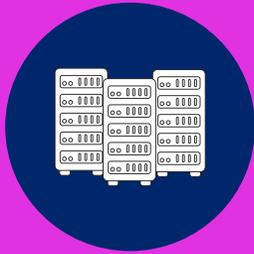
24x7 Zero-Carbon Digital Infrastructure Campus

- ✔ 1,200-acre campus directly connected to Susquehanna nuclear facility
- ✔ 4 substations with up to 950 MW potential redundant capacity¹
- ✔ 240 MW redundant capacity for data centers expected to be ready in 2024
- ✔ Robust and redundant fiber network
- ✔ 65+ MW Data Center 1 ready for fit-out
- ✔ Coin facility operational

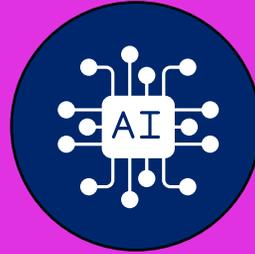
1. Includes 200 MW currently associated with existing coin facility.



Favorable Market Dynamics



**Open capacity and
available power
at record lows**



**Demand growth
driven by AI &
machine learning**



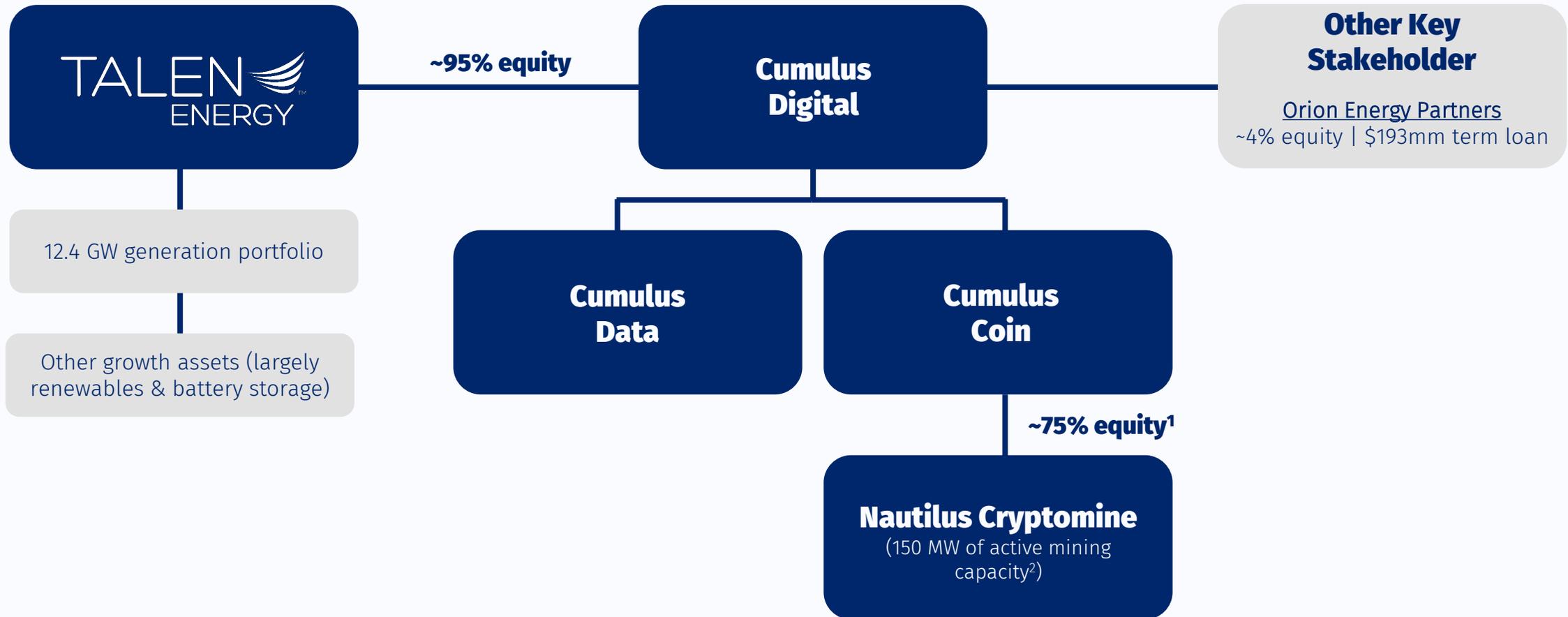
**Customers
making 24x7
carbon-free
commitments**

Digital Campus Optimally Positioned for **Unlocking Value**

- ✔ **Immediacy**
Powered shell complete, allowing operations to commence as soon as 2024
- ✔ **Scalability**
Near-term potential for 240 MW of redundant power; can ultimately scale to 950 MW of redundant power
- ✔ **Comprehensive Redundancy**
At least two sources for all key elements (electricity, transmission lines, transformers, fiber, etc.)
- ✔ **24x7 Carbon-Free Power**
First digital infrastructure campus to have a direct connection to a 24x7 carbon-free power source
- ✔ **Attractive Economics**
Carbon-free power at “win-win” prices



Cumulus Ownership Summary



Note: As of 9/30/2023. All ownership lines are effectively 100% unless otherwise noted.

1. Remaining 25% of Nautilus is owned by TeraWulf.

2. 150 MW is gross (i.e., includes parasitic load). Facility has up to 200 MW of gross capacity.

Full-Time Staff

The Substation Electrical Operations Team is 12 Operations Professionals with over 130 years of combined experience in utility operations and substation maintenance.

They are dedicated to maintaining the highest rigor and reliability at our 4 substations.



Substation Electrical Operations

The Substation Electrical Operations Team provides digital campus tenants with unparalleled reliability, flexibility and transparency.



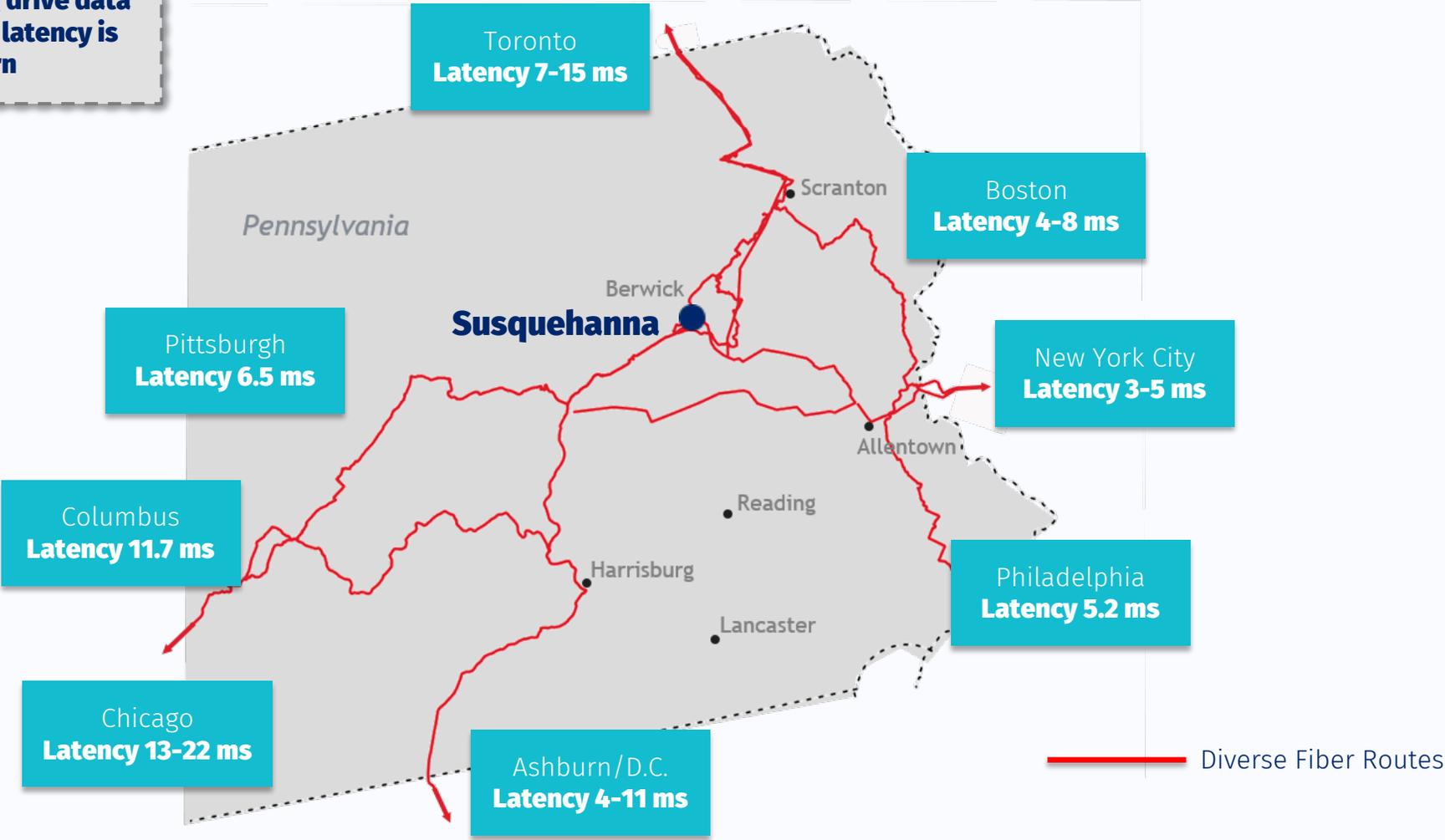
Real-time Monitoring & Control

The Substation Electrical Operations Team monitors and controls the status of the substations and distribution infrastructure on our campus 24 hours a day, 7 days a week from our on-campus operations control center.

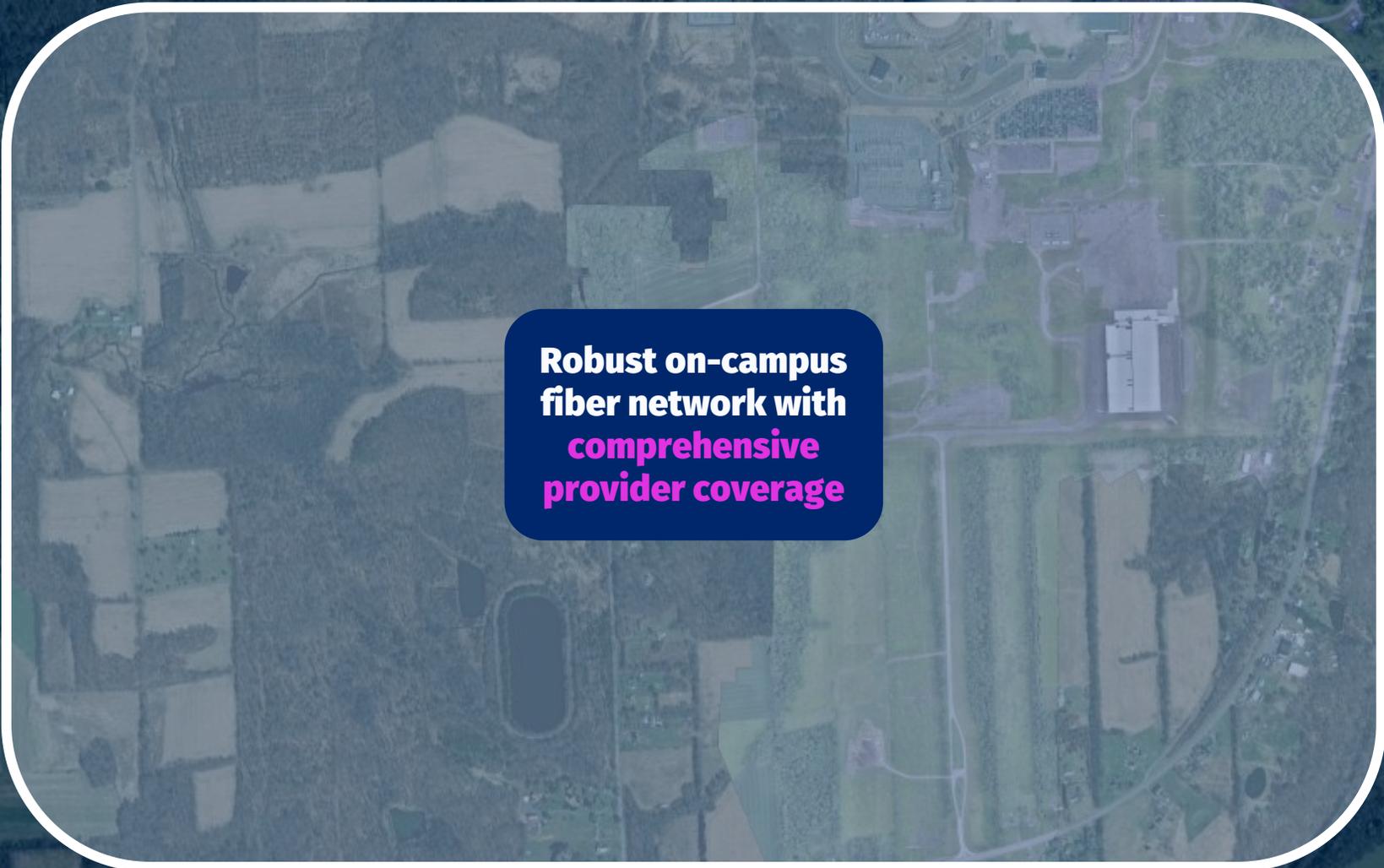


Campus takes advantage of existing fiber routes

As AI & machine learning drive data center demand growth, latency is less of a concern



Potential
Entry from
North



Robust on-campus
fiber network with
comprehensive
provider coverage

Entry
from
West

Entry
from
East

Provider 1

Provider 2

Provider 3

Provider 4

Provider 5

Entry
from
South

Note: Illustrative and not to scale; doesn't represent exact fiber entry points.



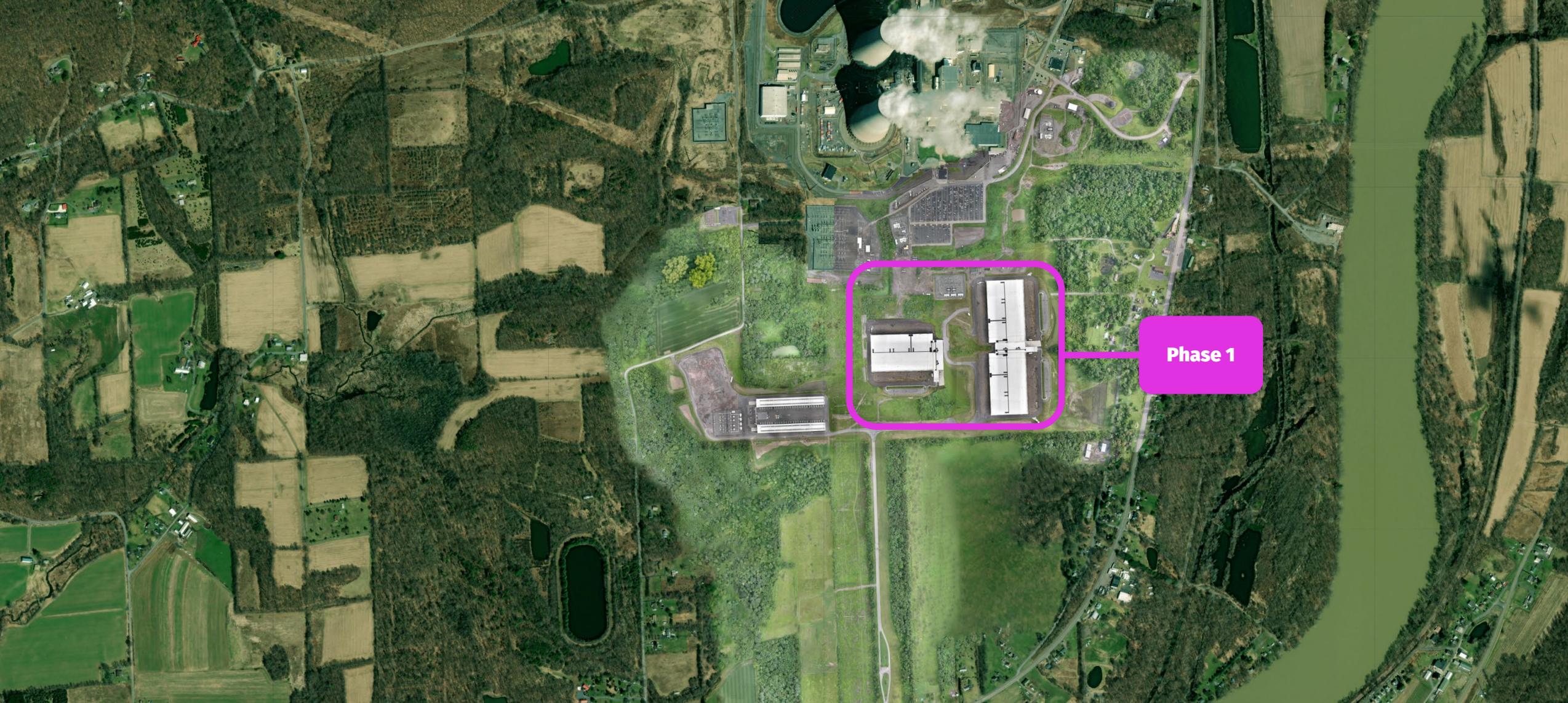
Video: Data Center 1 Rendering



**Data
Center 1**

Campus Potential

Current State: Data Center 1 | 65+ MW



Campus Potential

Phase 1: 3 Data Centers | 200-240 MW

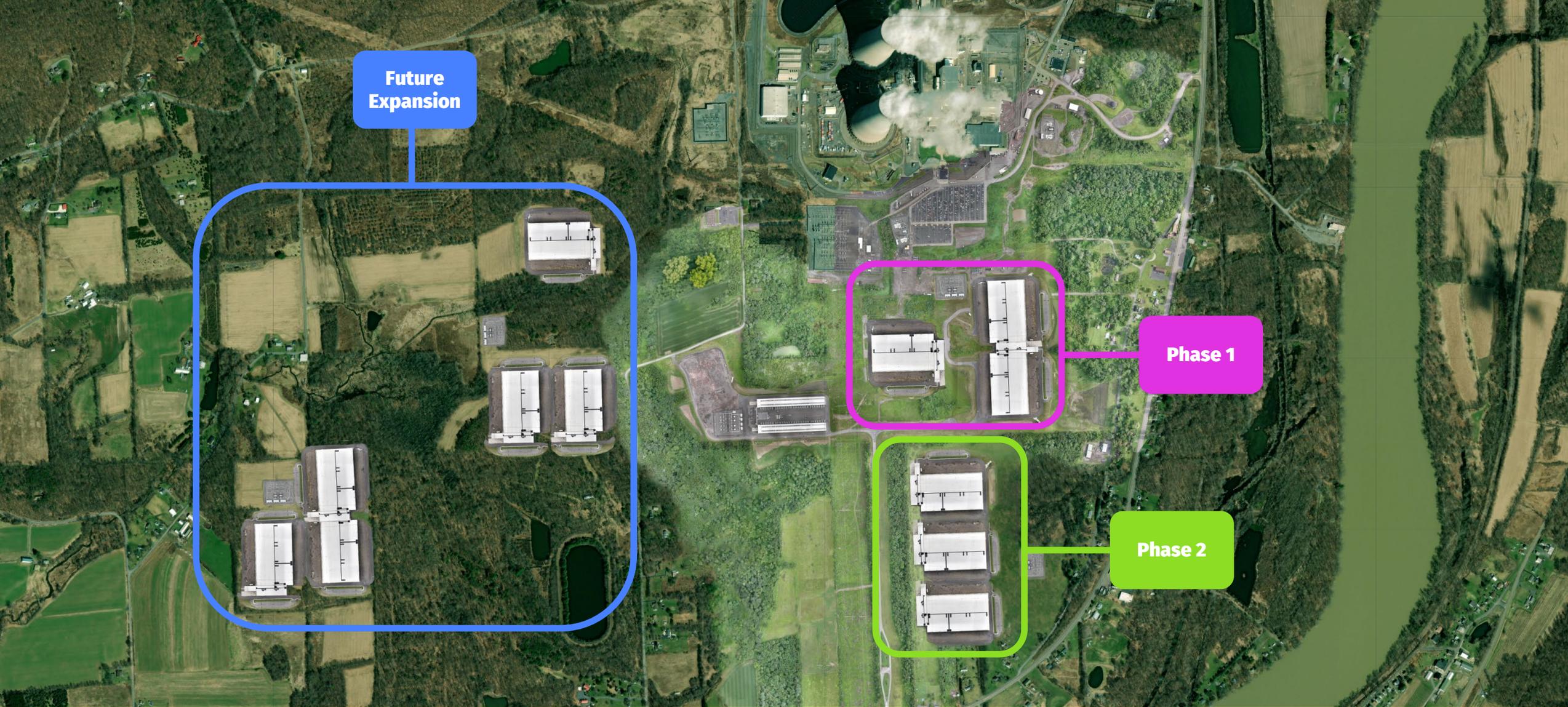


Phase 1

Phase 2

Campus Potential

Phases 1 & 2: 6 Data Centers | 400-480 MW



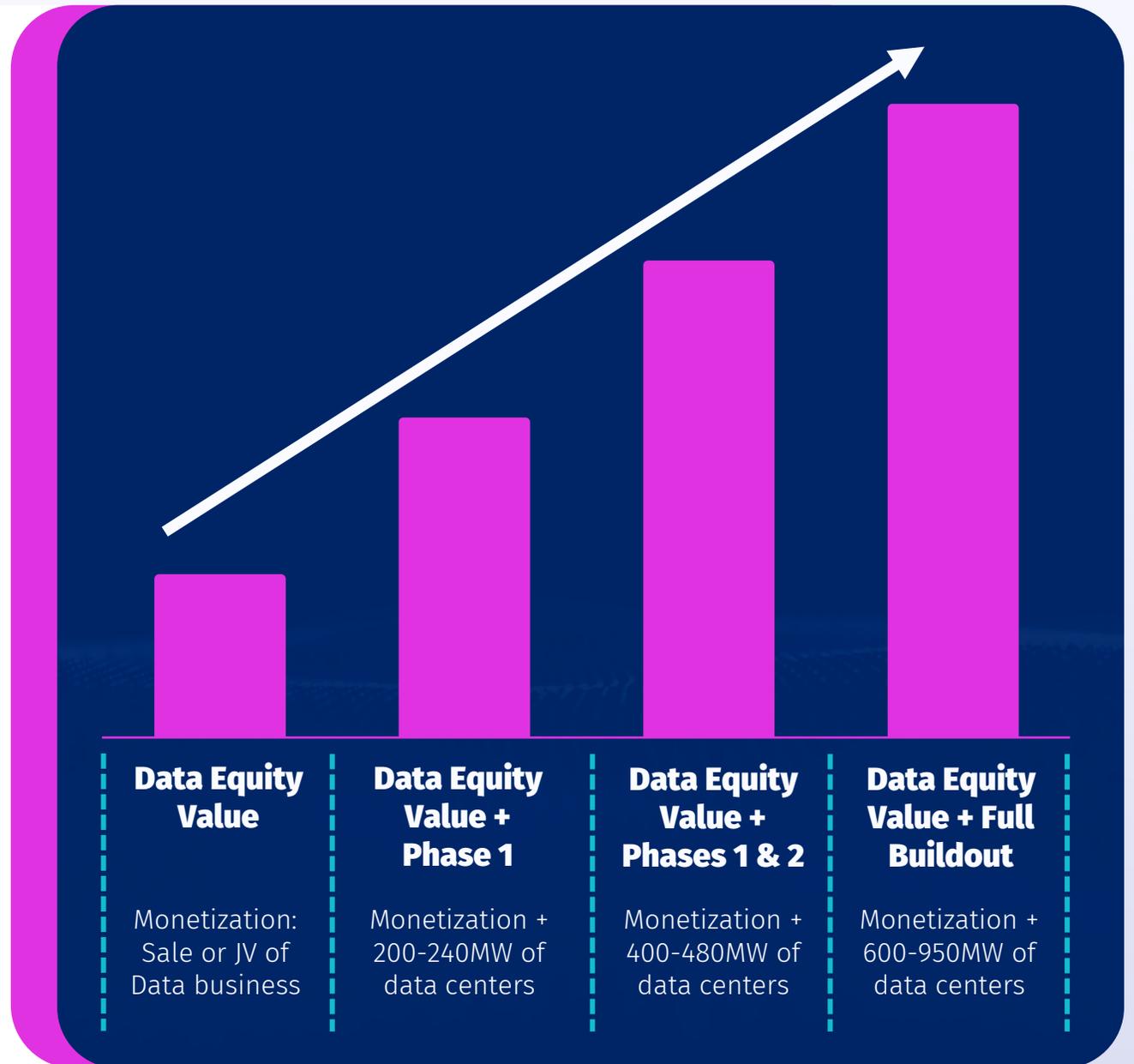
Campus Potential

Full Campus: Up to 950 MW¹

1. Includes 200 MW currently associated with existing coin facility.

Unlocking Value from the Cumulus Data Assets

- ✓ **Discussions ongoing** with counterparties capable of scaling the campus to 950 MW
- ✓ Significant initial value capture through **potential monetization**; long-term value driven by CAGR of incremental revenues from **scaling campus**
- ✓ **Phase 1** involves fitting out the existing 65+ MW data center shell and adding more data centers to grow to **200 – 240 MW** of total capacity over the next several years
- ✓ Power at **“win-win” pricing**: Above the PTC floor while at a discount to existing data center markets





**Thank
You**