



## AMSC and ComEd Proceed on Engineering Assessment for Second Superconductor-based REG System in Chicago

**Ayer, MA, and Chicago, IL – October 22, 2019** – AMSC®, a global energy solutions provider serving wind and power grid industry leaders, today announced that Commonwealth Edison (ComEd) is conducting the engineering assessment for a proposed second project of AMSC’s Resilient Electric Grid (REG) system for Chicago’s central business district. The Federal Energy Regulatory Commission (FERC), which allows utilities to recover their investments in transmission systems, recently granted ComEd’s request to recover its portion of the cost to construct, operate and maintain both projects through its transmission rates.

ComEd’s second project, if agreed to and undertaken, would follow timewise its first project at ComEd’s substation and would utilize AMSC’s REG system to interconnect multiple existing substations in Chicago’s central business district. The second project is expected to be larger in scope than the first and provide greater reliability, resiliency and load-serving capabilities during outages or other grid disruptions. The larger scope of the second project is intended to help create an even more resilient and reliable electric grid for Chicago and ComEd, which delivers electricity to more than 4 million customers in northern Illinois. ComEd expects the REG project will be less disruptive to the downtown area and will not require the significant infrastructure expansion that a new or expanded transmission substation would necessitate.

“We are pleased to obtain FERC’s regulatory approval for a first and second deployment of AMSC’s REG solution,” said Terence R. Donnelly, president and chief operating officer, ComEd. “We have begun the preliminary engineering work on the second deployment of REG. Since the second project is contingent upon the successful installation and operation of the first, we will carefully monitor and measure the impact of the first project before applying the technology to the larger REG project planned for the central business district.”

For the first REG project, AMSC and ComEd have entered into a commercial contract as part of the ongoing U.S. Department of Homeland Security (DHS) Science and Technology Directorate’s initiative to secure the nation’s electric grid against extreme weather and other catastrophic events. When complete, the project will be the first permanent installation of high-temperature superconductor technology in the U.S. electric grid. Engineering work for the first REG project in Chicago began this year

and AMSC is on schedule to deliver the REG project hardware in 2020. The REG system is expected to be operational in 2021.

AMSC's REG system is a self-healing solution that provides resiliency in the event that portions of the grid are lost for any reason. REG systems enable the use of transmission and distribution assets in a way that is not feasible with traditional technologies while limiting the need for additional grid infrastructure, which mitigates environmental impact.

The key component to the REG system is AMSC's breakthrough Amperium<sup>®</sup> wire that combines with other sub-system design elements to increase the reliability, redundancy, and resiliency of urban power grids, greatly reducing the impact of equipment failure due to aging, cyber threats, physical disasters, or weather-related events.

### **About ComEd**

Commonwealth Edison Company (ComEd) is a unit of Chicago-based Exelon Corporation (Nasdaq: EXC), a Fortune 100 energy company with approximately 10 million electricity and natural gas customers – the largest number of customers in the U.S. ComEd powers the lives of more than 4 million customers across northern Illinois, or 70 percent of the state's population. For more information visit [ComEd.com](http://ComEd.com) and connect with the company on [Facebook](#), [Twitter](#) and [YouTube](#).

### **About AMSC (Nasdaq: AMSC)**

AMSC generates the ideas, technologies and solutions that meet the world's demand for smarter, cleaner ... better energy™. Through its Windtec™ Solutions, AMSC provides wind turbine electronic controls and systems, designs and engineering services that reduce the cost of wind energy. Through its Gridtec™ Solutions, AMSC provides the engineering planning services and advanced grid systems that optimize network reliability, efficiency and performance. AMSC's solutions are now powering gigawatts of renewable energy globally and are enhancing the performance and reliability of power networks in more than a dozen countries. Founded in 1987, AMSC is headquartered near Boston, Massachusetts with operations in Asia, Australia, Europe and North America. For more information, please visit [www.amsc.com](http://www.amsc.com).

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### *Forward-Looking Statements*

*This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any statements in this release about the expected timeline for ComEd's first REG system; the scope and potential benefits of ComEd's proposed second REG project in the Chicago Central Business District; performance and capabilities of the REG system, including AMSC's Amperium wire component; benefits and other impacts of the REG system on ComEd's electric grid; and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements represent management's current expectations and are inherently uncertain. There are a number of important factors that could materially impact the value of AMSC's common stock or cause actual results to differ materially from those indicated by such forward-looking statements. These important factors include, but are not limited to: AMSC cannot predict if and when ComEd will begin the proposed second REG project in the Chicago Central Business District; A significant portion of AMSC's revenues are derived from a single customer, Inox, and AMSC cannot predict if and how successful Inox will be in executing on Solar Energy Corporate of India ("SECI") orders under India's new central and state auction regime; and any related*

*failure by Inox to succeed under this regime, or any delay in Inox's ability to deliver its wind turbines, could result in fewer electric control systems shipments to Inox; AMSC has a history of operating losses and negative operating cash flows, which may continue in the future and require AMSC to secure additional financing in the future; AMSC's operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; AMSC's financial condition may have an adverse effect on AMSC's customer and supplier relationships; AMSC may be required to issue performance bonds or provide letters of credit, which restricts AMSC's ability to access any cash used as collateral for the bonds or letters of credit; AMSC's contracts with the U.S. government are subject to audit, modification or termination by the U.S. government and include certain other provisions in favor of the government, and additional funding of such contracts may not be approved by the U.S. Congress, which, if not approved, could reduce AMSC's revenue and lower or eliminate AMSC's profit; AMSC's success is dependent upon attracting and retaining qualified personnel and AMSC's inability to do so could significantly damage AMSC's business and prospects; AMSC relies upon third-party suppliers for the components and sub-assemblies of many of AMSC's Wind and Grid products, making AMSC vulnerable to supply shortages and price fluctuations, which could harm AMSC's business; AMSC may experience difficulties re-establishing its HTS wire production capability in its Ayer, Massachusetts facility; AMSC may not realize all of the sales expected from AMSC's backlog of orders and contracts; Many of AMSC's revenue opportunities are dependent upon subcontractors and other business collaborators; If AMSC fails to implement its business strategy successfully, AMSC's financial performance could be harmed; Problems with product quality or product performance may cause AMSC to incur warranty expenses and may damage AMSC's market reputation and prevent AMSC from achieving increased sales and market share; AMSC has had limited success marketing and selling its superconductor products and system-level solutions, and AMSC's failure to more broadly market and sell its products and solutions could lower its revenue and cash flow; AMSC's success depends upon the commercial adoption of the REG system, which is currently limited, and a widespread commercial market for AMSC's products may not develop; AMSC's products face intense competition, which could limit its ability to acquire or retain customers; AMSC's international operations are subject to risks that it does not face in the United States, which could have an adverse effect on AMSC's operating results; AMSC faces risks related to its intellectual property and technology; AMSC faces risks related to its legal proceedings; and the important factors discussed under the caption "Risk Factors" in Part 1. Item 1A of AMSC's Form 10-K for the fiscal year ended March 31, 2019, and AMSC's other reports filed with the SEC. These important factors, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by AMSC's management from time to time. Any such forward-looking statements represent management's estimates as of the date of this press release. While AMSC may elect to update such forward-looking statements at some point in the future, AMSC disclaims any obligation to do so, even if subsequent events cause AMSC's views to change. These forward-looking statements should not be relied upon as representing AMSC's views as of any date subsequent to the date of this press release.*

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