

Mixed Signals

*Harvard Electricity Policy Group
83rd Plenary Session*

*James D. Steffes
June 2, 2016*



Our lens into energy



Revenues of
US\$19.5 billion
in 2014

August 2000
Centrica acquired
Direct Energy



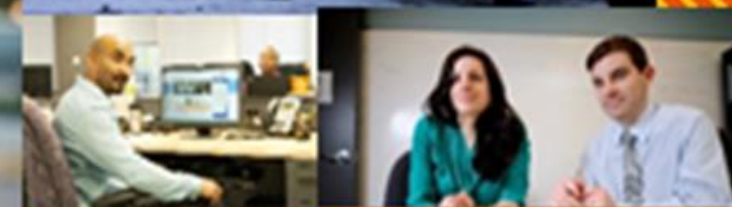
Grown to more than **5,500**
employees



Nearly 5 million
customer relationships



Largest Residential Retailer
One of the Largest
Home Services & B2B Retailers



Conversation on pricing should recognize key trends

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- Digitized future

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- Distributed future

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- Decarbonized future

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- Digitized future
- Distributed future
- Decarbonized future
- Designed future

Regulated electricity pricing is confusing and random

- Misalignment of input costs

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- Misalignment of input costs
- Unclear subsidy path
- Institutional inertia
- Focus on the past

Competitive retail simplifies products for consumer

Cost Certainty



Limited Offer
Offer for ComEd
Service Area
Customers

Price Protection Plan

6.89 ^{c/kWh} Fixed Electricity Rate

1 Year Term Peace of Mind

No Cancellation Fee

Sign Up

Sustainability

100% renewable energy

Energy Efficiency



Competitive retail delivers innovative time variant pricing

#POWER
OF 100

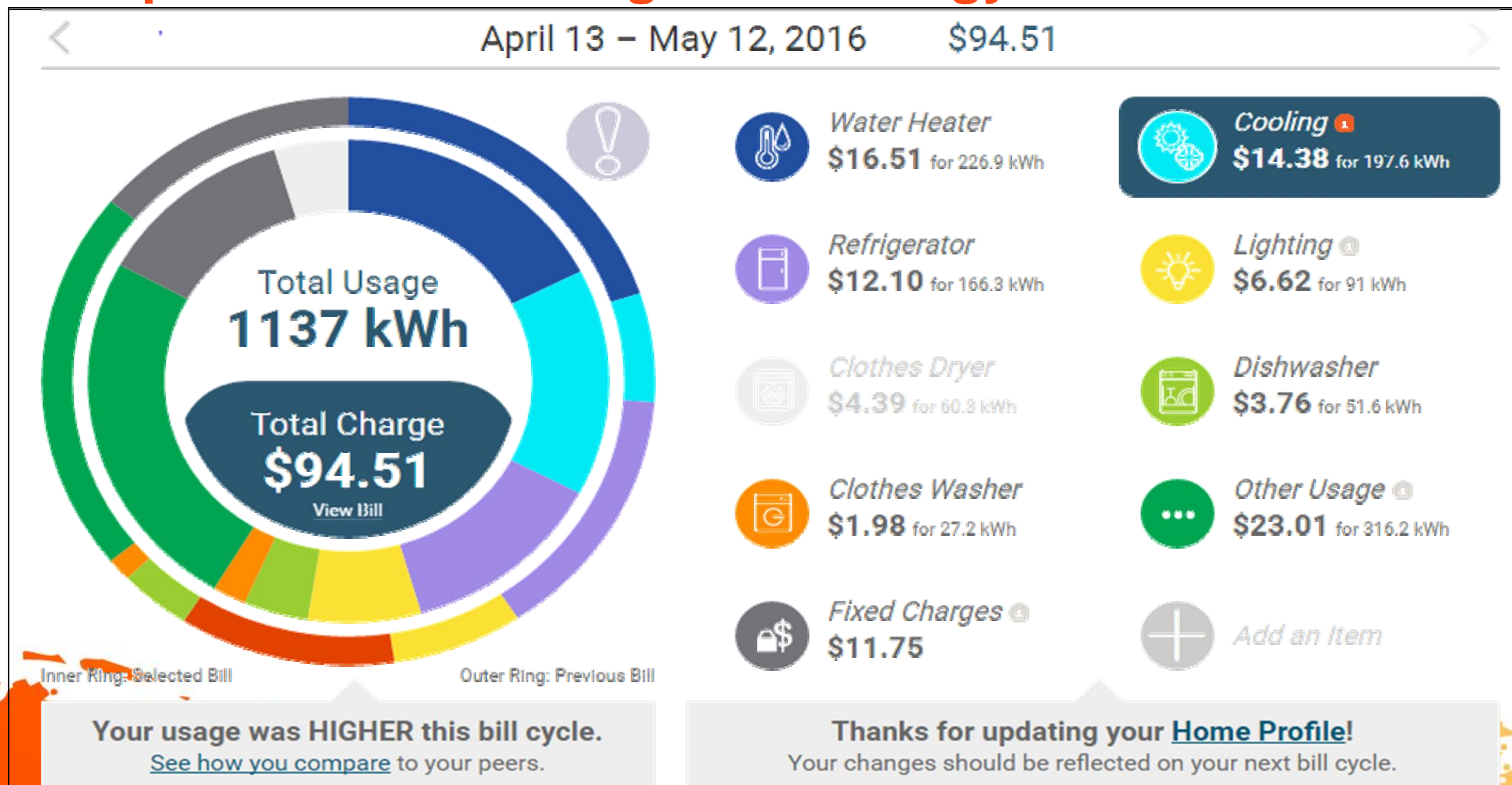


Competitive retail delivers energy saving programs

**REDUCE
YOUR USE®** **REWARDS**



Competitive retail changes the energy conversation



Competitive retail offers daily billing to empower customers



FIRST CHOICE
POWERTM
POWER-TO-GOTM

Smart meters can unlock the future for consumers



The path forward is clearer prices via the market



- Engaged energy consumers
linked to
- Well-functioning wholesale markets
through
- Smarter retail pricing products and solutions

THANK YOU



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