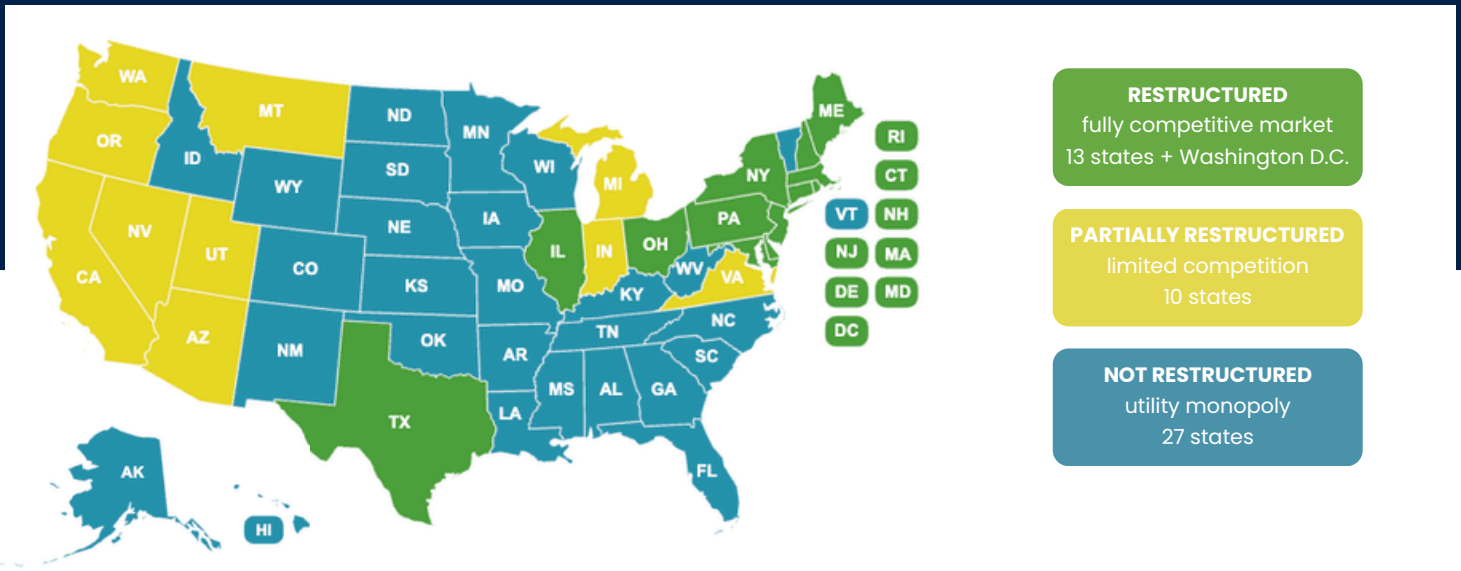


UNDERSTANDING COMPETITIVE ENERGY MARKETS

Twenty-three states and Washington D.C. allow some form of competition with the electric utility. The opportunity to serve customers in those states attracts private investments in power generation.

Thirteen states and Washington D.C. are fully restructured and ended the utility monopoly. Investor-owned utilities can no longer recover the cost to build power plants plus a guaranteed profit.



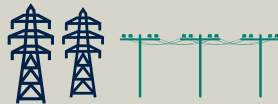
Benefits of a Fully Restructured Competitive State

POWER GENERATION



Private companies — not ratepayers — invest in and bear the risk of building power plants.

ELECTRICITY DELIVERY (utility maintains ownership)



The utility maintains a monopoly on building and maintaining the delivery infrastructure.

PRICE PROTECTION



Consumers on fixed-rate plans are shielded from cost fluctuations in the market.

CUSTOMER OPTIONS



Consumers can choose their preferences of price, long-term fixed-rate contracts, resource type and more from many different suppliers.

CLEAN ENERGY



Consumers can elect 100% renewable energy plans, if that's what they desire, without impacting other consumers.

PRODUCT INNOVATION



Competition drives new innovations to earn the business of consumers. The supplier assumes all risks of new products and programs.

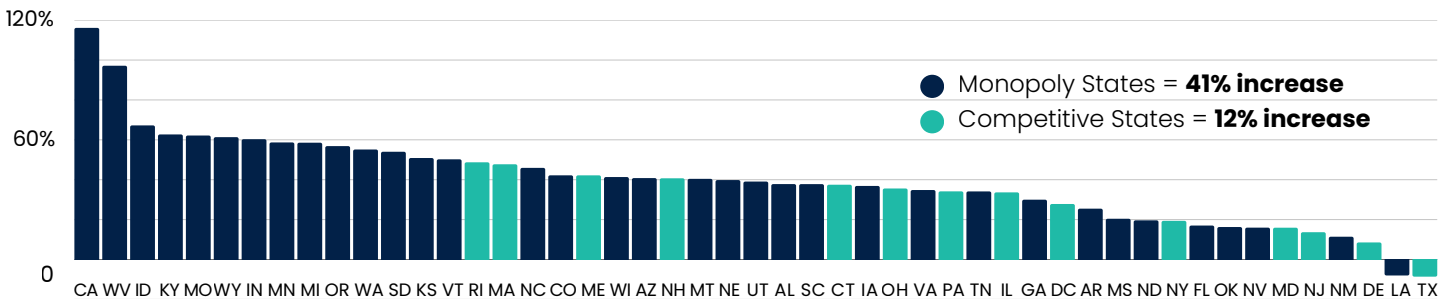
HOW DO DIFFERENT ENERGY MARKETS STACK UP?

COMPETITIVE STATES BENEFIT CONSUMERS

Compared to states with a utility monopoly on the generation and sale of electricity, competitive or "fully restructured" states have fared better on price performance, generation built, and reliability.

PRICE CHANGES

Electric rates in states with a utility monopoly have increased faster than states with competitive suppliers.

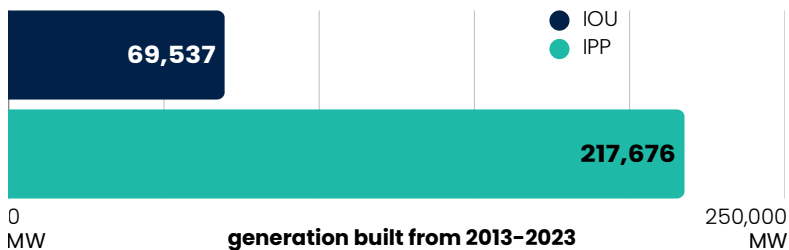


percentages of price changes from 2008-2023

Source: EIA-861; RESA data analysis

GENERATION BUILT

Nationally, independent power producers have built **3x more capacity generation** than investor-owned utilities.



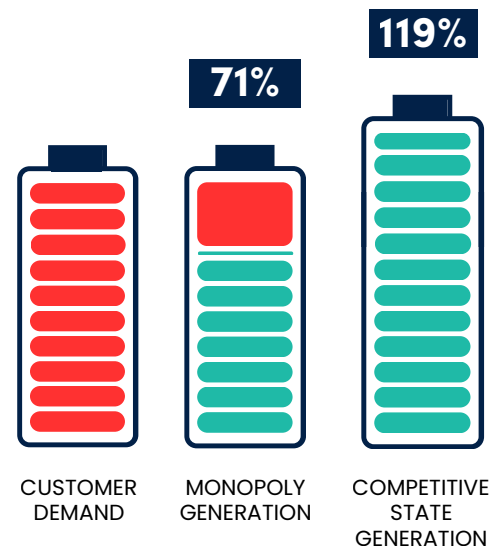
generation built from 2013-2023

Source: EIA-860

MEETING CUSTOMER DEMAND

In competitive states, the generation ratio is 1.19 units to every 1 unit of load growth, exceeding the generation needed to serve customers.

Monopoly states fall short in generating power for their customers.

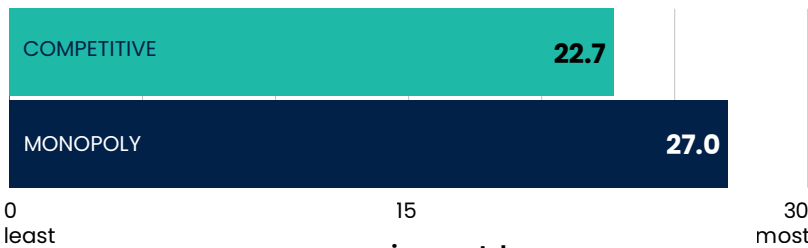


generation ratio compared to customer load

Source: EIA-860, 861, 923 from 2023; RESA data analysis

RELIABILITY SCORE

Competitive states score better in reliability (average outage duration, outage frequency, and time to restore power), where the utility's role is limited to poles and wires and maintaining the reliability of the local system.



average major event days

Source: Citizens Utility Board