CONSUMER ENERGY ALLIANCE

THE VOICE OF THE ENERGY CONSUMER

CEA Presentation

Granite State Taxpayers

August 2021

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Local & National

National Brand with 9 Regional Chapters

CEA Southeast
CEA Midwest
CEA Mid-Atlantic
CEA New England
CEA-Rockies
CEA-Northeast
CEA-AK, CEA-FL, CEA-TX

550,000+
Individual U.S. Members

Broad membership of farmers, manufacturers, labor, transportation, plastics, local chambers, small businesses, families

320+
Affiliate Members

65% are consumers

CEA Board includes:

Virginia Manufacturing Assoc.
Caterpillar
Nucor Steel
Wortham Insurance
Airlines 4 America
National Assoc. of Convenience Stores

- **CEA represents families and small business**
- **Energy policies MUST deliver energy that is affordable, reliable, and environmentally responsible**
- **High energy prices harm poor and fixed income families the most**
- **US is leading the world in environmental progress**

CEA commenced New England Chapter in January of 2021

Regional members include: Business and Industry Association of New Hampshire, MBTR, New England Convenience Stores and Energy Marketers Association, Purpose Energy

More to come: energy companies, manufacturers, excavation & construction

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WHAT WE DO: Legislative and Regulatory Activity in NH

- New Hampshire Senate Bill 86—Preserves consumer choice when it comes to how individuals and businesses choose to heat and cool their homes and power their appliances and operations. CEA testified in support of these measures.

- New Hampshire House Bill 315—Improves consumer protections in Community Choice Aggregation programs adopted by municipalities. CEA worked to include language in the bill prohibiting from charging exit fees to consumers who op-out of these programs.

- New Hampshire PUC Docket DE 16-576 Development of New Alternative Net Metering Tariffs and/or Other Regulatory Mechanisms and Tariffs for Customer-Generators. CEA has been and will continue to be an active participant in this docket ensuring that the interests of consumers are represented.

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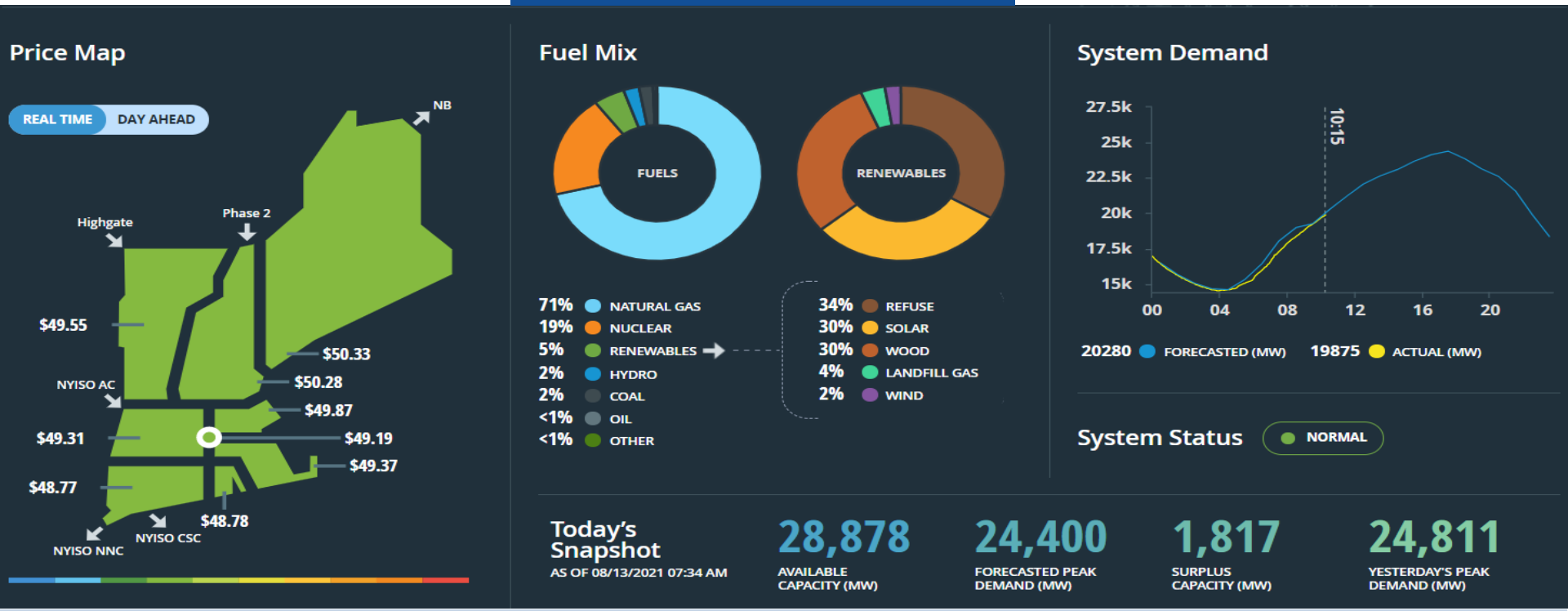
The New England Grid

Managed by the Independent System Operator of New England (ISO-NE)

ISO-NE's Three Main Roles

- Grid Operation
- Market Administration
- Power System Planning

- Six New England States
- Interconnections to New York and Canada
- Imports serve 20% of New England's load



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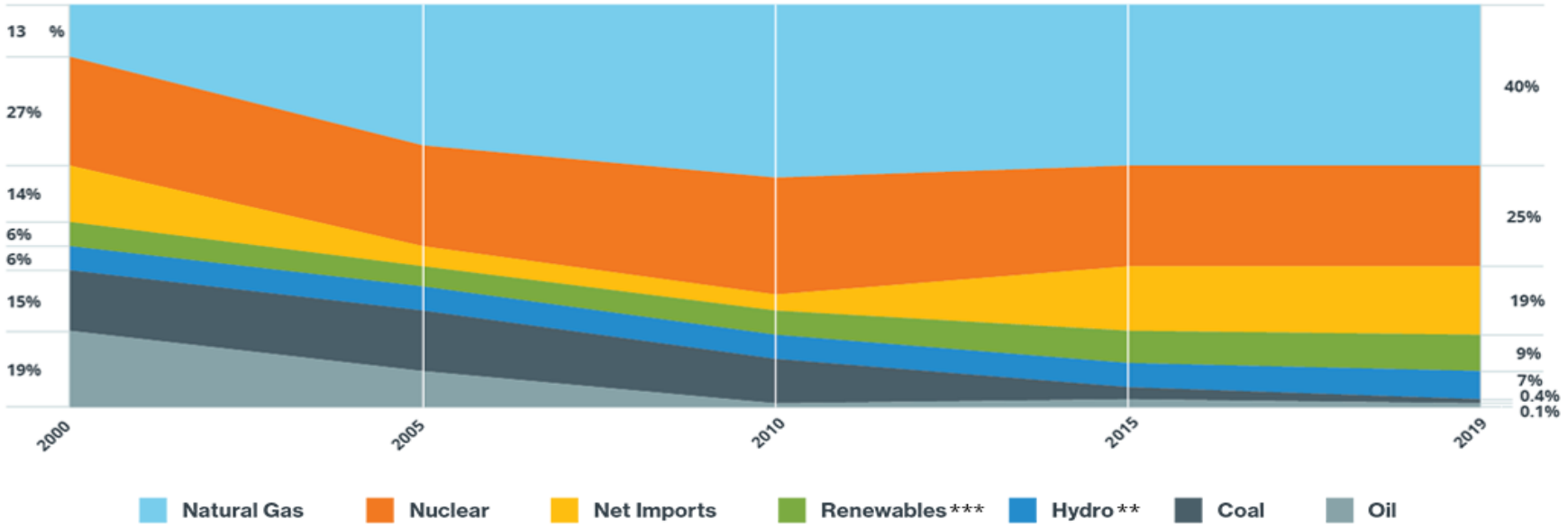
New England Generation Mix

Percentage of Total Electric Energy by Resource Type



*Data are subject to adjustments. This chart approximates the amount of generation by individual fuels used by dual-fuel units, such as natural-gas-fired generators that can switch to run on oil and vice versa. Before 2016, generation from such units was attributed only to the primary fuel type registered for the unit.

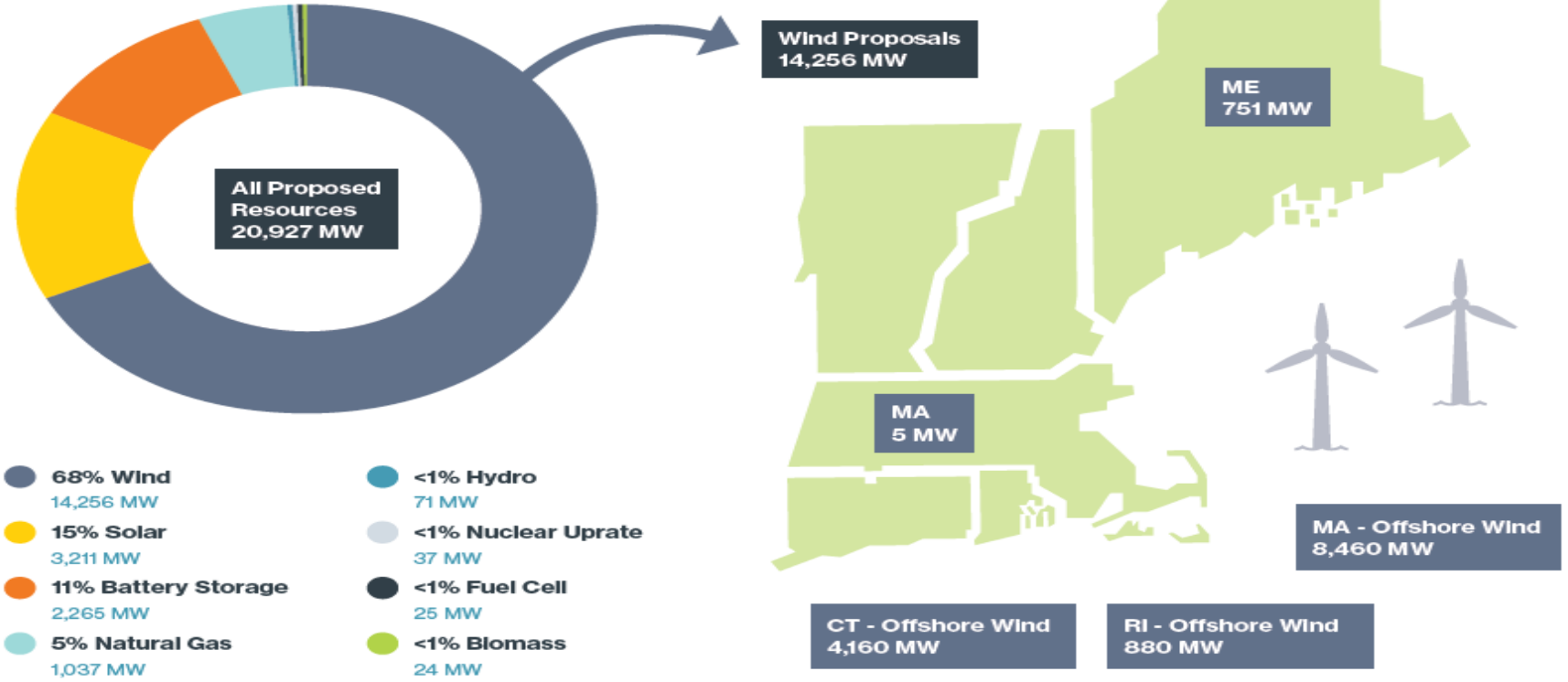
**Includes pondage, run-of-river, and pumped storage.

***Renewables include landfill gas, biomass, other biomass gas, wind, grid-scale solar, municipal solid waste, and miscellaneous fuels. Hydro is not included in this category primarily because the various sources that make up hydroelectric generation (i.e., conventional hydroelectric, run-of-river, pumped storage) are not universally defined as renewable in the six New England states.

Source: ISO New England

THE INTERCONNECTION QUEUE

Wind Power Comprises More Than Two Thirds of New Resource Proposals in the ISO Interconnection Queue



Note: Some natural gas proposals include dual-fuel units (with oil backup). Some natural gas, wind and solar proposals include battery storage.

Source: ISO Interconnection Request Queue (January 2020) FERC and Non-FERC Jurisdictional Proposals; Nameplate Capacity Ratings

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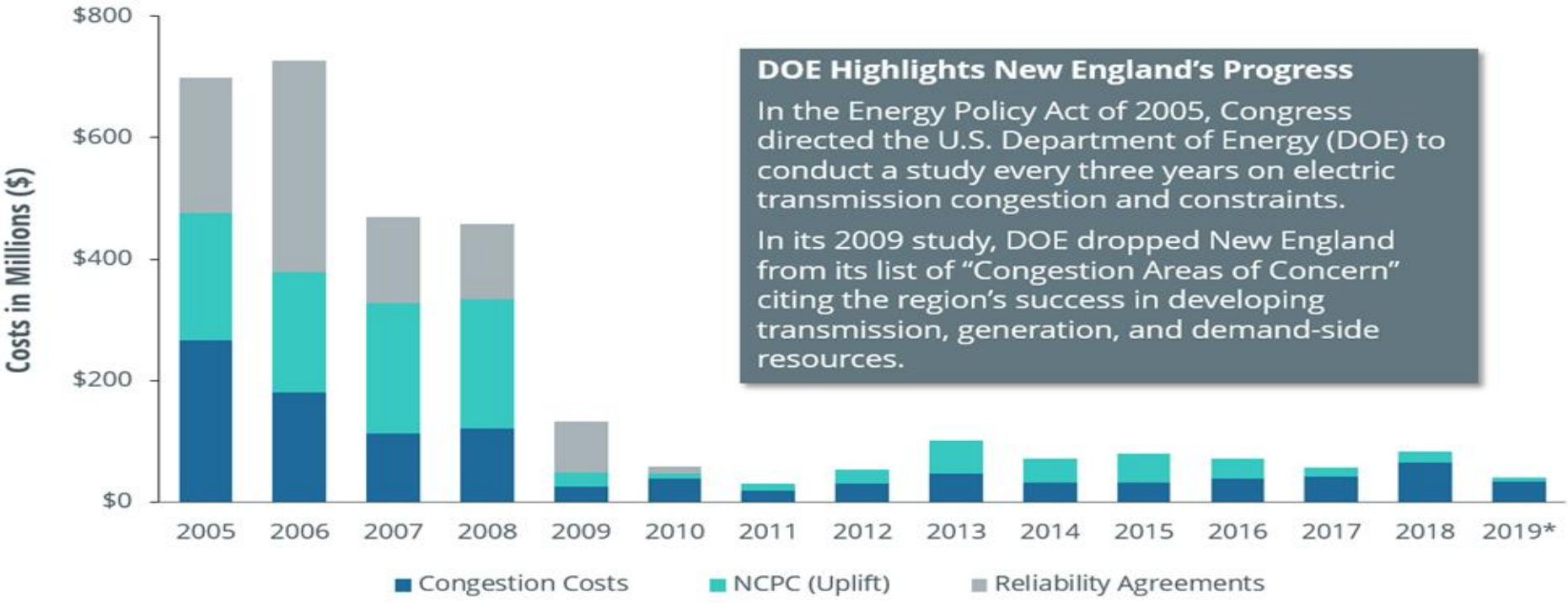
Transmission

New England Costs for Congestion, Uplift, and Reliability Agreements



DOE Highlights New England's Progress

In the Energy Policy Act of 2005, Congress directed the U.S. Department of Energy (DOE) to conduct a study every three years on electric transmission congestion and constraints.

In its 2009 study, DOE dropped New England from its list of "Congestion Areas of Concern" citing the region's success in developing transmission, generation, and demand-side resources.

Note: Congestion is a condition that arises on the transmission system when one or more restrictions prevents the economic dispatch of electric energy from serving load. Net Commitment-Period Compensation is a payment to an eligible resource that operated out of merit and did not fully recover its costs in the energy market. Reliability Agreements are special reliability contracts between the ISO and an approved generator whereby the generator continues to operate, even when it is not economical to do so, to ensure transmission system reliability. Sources: Regional System Plans, ISO-NE Annual Markets Reports. *2019 data subject to adjustment.

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What Does the Future Hold? Potential Challenges and Solutions

- Infrastructure Siting
  - Natural Gas: Environmental/Federal/State/Local Regulatory Barriers
- Resources
  - Nuclear/Natural Gas/Coal/Oil
  - Utility/Industrial Scale Solar and Battery Storage
  - Wind: Offshore and Onshore
  - Transmission
    - Hydroelectric Imports: New England Clean Energy Connect, Champlain Hudson Power Express
  - Distributed Energy Resources (DERs)
- Energy Market Reform/Challenges
  - How to Integrate Renewables While Maintaining Reliability and Containing Costs?
    - Minimum Offer Price Rule
    - State Policies

QUESTIONS?