Energy and Technology Committee Forum on Wholesale Generation

January 31, 2019

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NRG Energy, Inc.
Quick Facts

- Made charitable donations to 17 local charities.
- Volunteerized more than 12,500 hours at 7 organizations and 6 service events.
- $3.5 million annual property taxes
- 95 employees statewide
- Over $1 billion investment in the state since acquisition
- Acquired assets from CL&P in 1999

Retail customers served throughout: NRG in Connecticut

Generation

1.5 GW

Natural Gas

Oil

COS COB

20 MW Bradford

133 MW Westerford

494 MW Montville

770 MW Middletown

40 MW Turnington
Enterprises are increasingly turning to renewable energy and clean energy markets.

The solution: competitive retail

Investment in Connecticut:

Subsidies increase bills & decrease

Right the addiction to subsidies.

At a price consumers can afford!

Preserve reliability & resiliency.

At a price consumers can afford!

Decarbonize power and transportation sectors by 2050.

Challenges
Our Carbon Goals

NRG's goals are directly aligned with the goals of the Paris Climate Agreement and support Connecticut's commitment to the US Climate Alliance and goal of 80% decarbonization by 2050.

These commitments and performance are evident every day on the strength of our operations. We are competing and differentiating.

- 2/3 of the way to 2030 goal and
- 35% reduction since 2014

Progress to date:

Certified science-based targets include:
- First U.S. based power producer to set a
- 90% by 2020
- 50% by 2030

NRG
The Affordability Hinges on Two Things:

1. "All of the above" strategy. Decarbonization needs an affordable & reliable deep electric grid (i.e., "balance the grid").
2. Using competitive clean renewable costs reasonable enough to keep energy markets to keep consumers to respond through better retail markets.

The Four Product Future:

1. Renewables
2. Storage
3. Dynamic Demand (e.g., controllable demand)
4. Quick Start Peaking

Improving economics, consumer demand, and security, these policies grow markets by reducing the cost of renewable and generating new products providing critical grid services and improving consumer experiences.

Renewables, distributed generation and energy storage will also support products and services, providing critical and peak demand capabilities, and addressing energy security and reliability challenges. Renewable s grid-form will become pervasive in the electricity system. Energy storage can support renewable generation and grid-form variability.

Building out

Modernize electric power infrastructure to deal with new transient power requirements while ensuring grid resiliency and generating costs

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Smart Decarbonization & Reliability:
No ballouts. No set-asides. Just clean.

1. All carbon-free technologies compete.
   - The lowest cost supplier wins.
   - Lowers carbon at a price consumers can afford.

2. Competitive clean energy market
   - A solution for a subsidy-driven market
   - But higher bills.

In a subsidy-dominated market, lower commodity prices may see ratetpayers may see

The Effects of a Subsidy-Driven Market
Right to control your energy usage:
- Increased choices.
- Utility survey shows customers want retail demand response products.
- Innovative bill structures (fixed total bills & renewable contract).
- Energy home infrastructure financing tools.
- Real-time personal energy usage management.
- Help retail choice customers engage with their energy usage.
- Right to innovate products.
- Shortchanged CTS, decarbonization goals.
- A shrinking shopping cart of products.
- Consumers and the state lose out.
- dp investment in Connecticut.
- Legislative and regulatory uncertainty dries out.
- Right to competitive products.
- Outcomes:
- To seek premium environmental markets enable customers.
- Competitive markets enable customers.
- Green options.
- Customers are increasingly demanding.
- Right to shop green.

Enduring Retail Competition Can Empower Customers
- NRG
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Thank You

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