



2019 Western LAMPAC

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Creating Value in America's Economy



Contribute
\$865 billion
annually to U.S. GDP or
5%
of total GDP

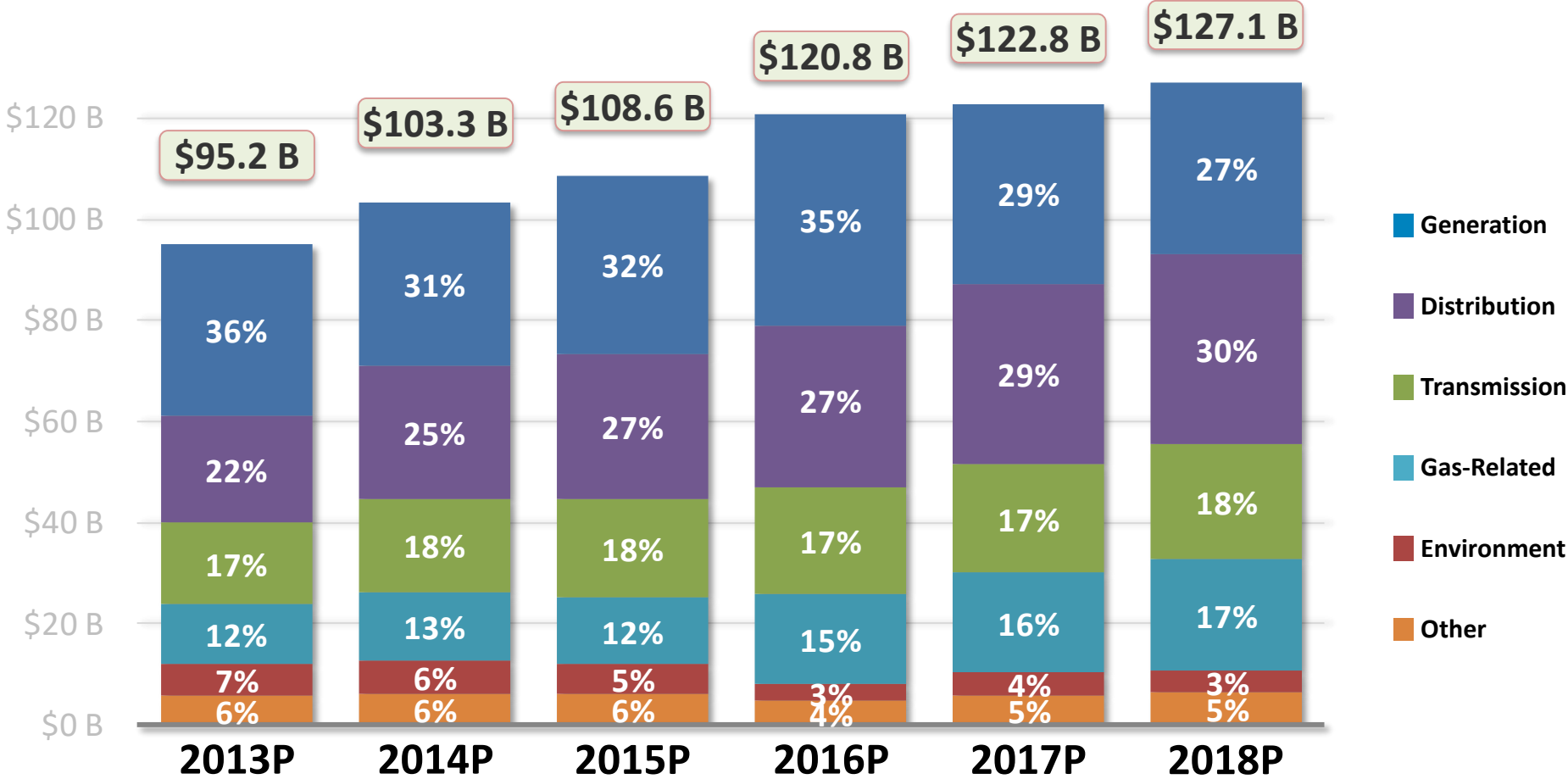


Support
7 million+
jobs across the
United States



Invest
\$100 billion+
per year to build
smarter, cleaner, stronger,
and more secure
energy infrastructure

Continued Infrastructure Investments



Notes: Total company functional spending of U.S. Investor-Owned Electric Utilities may not sum to 100% due to rounding error. Projections based on publicly available information and extrapolated for companies not reporting functional detail (1.3%, 1.3%, 1.3%, 0.7%, 0.9%, 0.8% of the industry for 2013, 2014, 2015, 2016, 2017, 2018 respectively).

Source: EEI Finance Department, company reports, S&P Global Market Intelligence (October 2018).

2019 Industry Priorities



Energy
Infrastructure



Clean
Energy



Wildfire Mitigation
& Adaptation



Grid Security
& Resilience



Electric
Transportation



Enhanced Customer
Experience

Our Industry Vision Is Customer-Driven



Value-
Focused



More Dynamic,
More Secure
Energy Grid



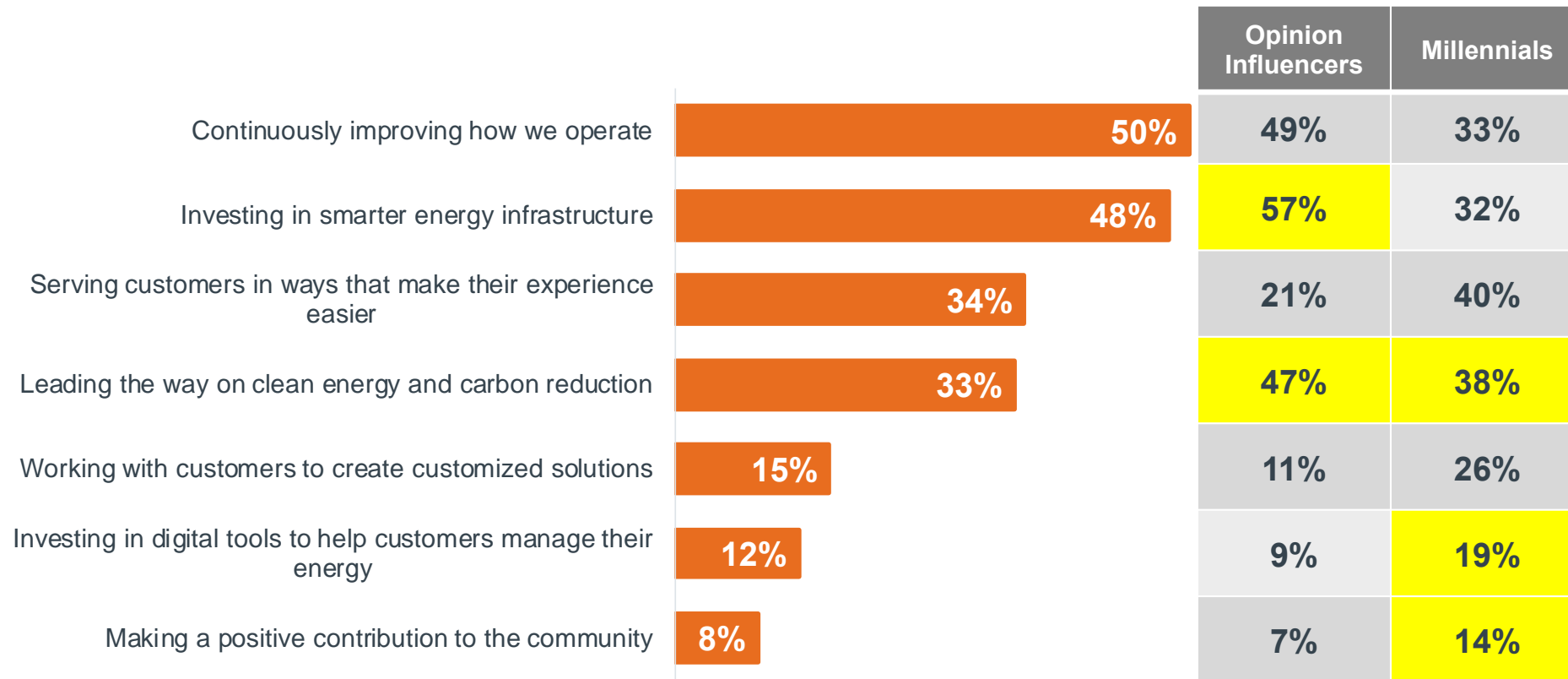
Clean
Energy



Innovative
Energy
Solutions

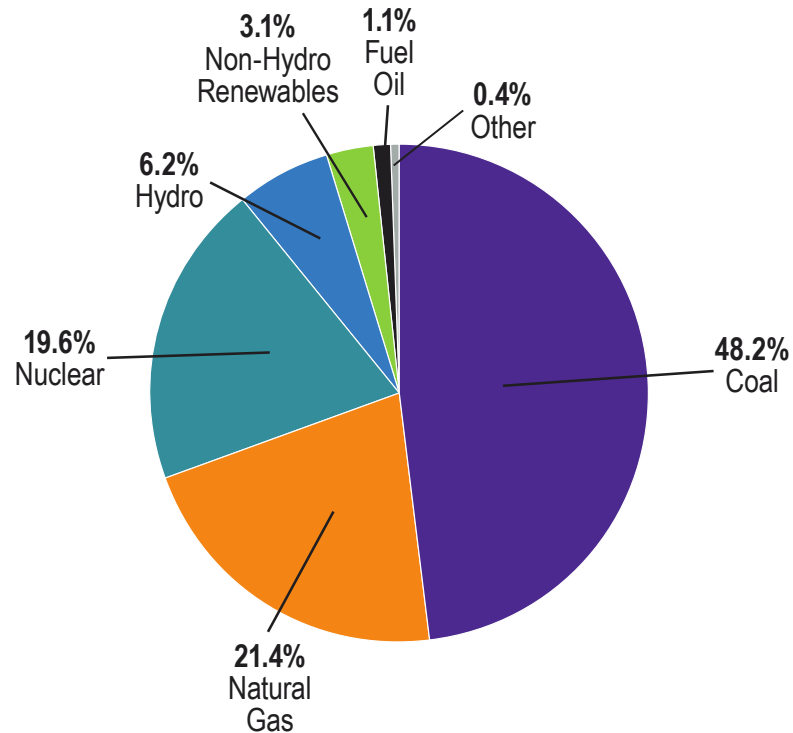
What Customers Want

Q: Which is most important? That your energy company is... ? (TOP 2)

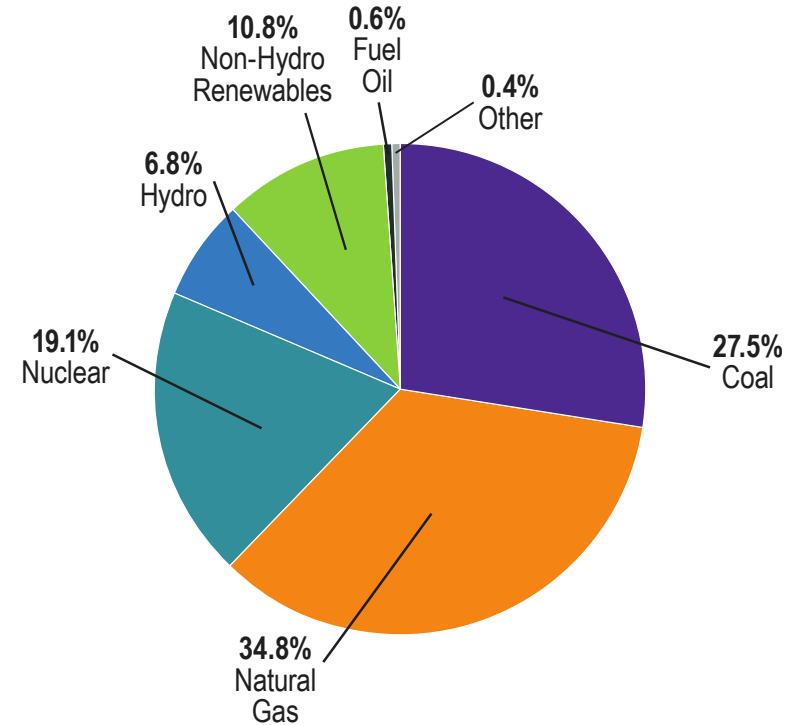


Mix of Resources Used To Generate Electricity Has Changed Dramatically (2008–2018)

2008 National Energy Resource Mix



2018 National Energy Resource Mix (preliminary)



Federal Regulatory and Legislative Activity

- FERC Priorities
- Federal Legislative Priorities
- Climate and Environment Activity



FERC Priorities

- Holistic PURPA Reform
- ROE Policy
- Transmission Incentives
- Order 1000
- Energy Price Formation Issues
- Resiliency
- Natural Gas Pipeline
Policy Statement Review



PURPA Reform

- **September 19, 2019:** FERC issued a Notice of Proposed Rulemaking (NOPR) proposing to revise its regulations implementing the Public Utility Regulatory Policies Act (PURPA) of 1978
- Key areas addressed:
 - Avoided-cost calculation
 - 20 MW Threshold
 - 1-mile rule
- Comments due: December 3, 2019

Federal Legislative Priorities and Climate Discussions

Legislative Priorities

- Siting and Permitting
- Vegetation Management
- Electric Transportation
- Grid Security
- Natural Gas Pipelines
- Infrastructure Bill

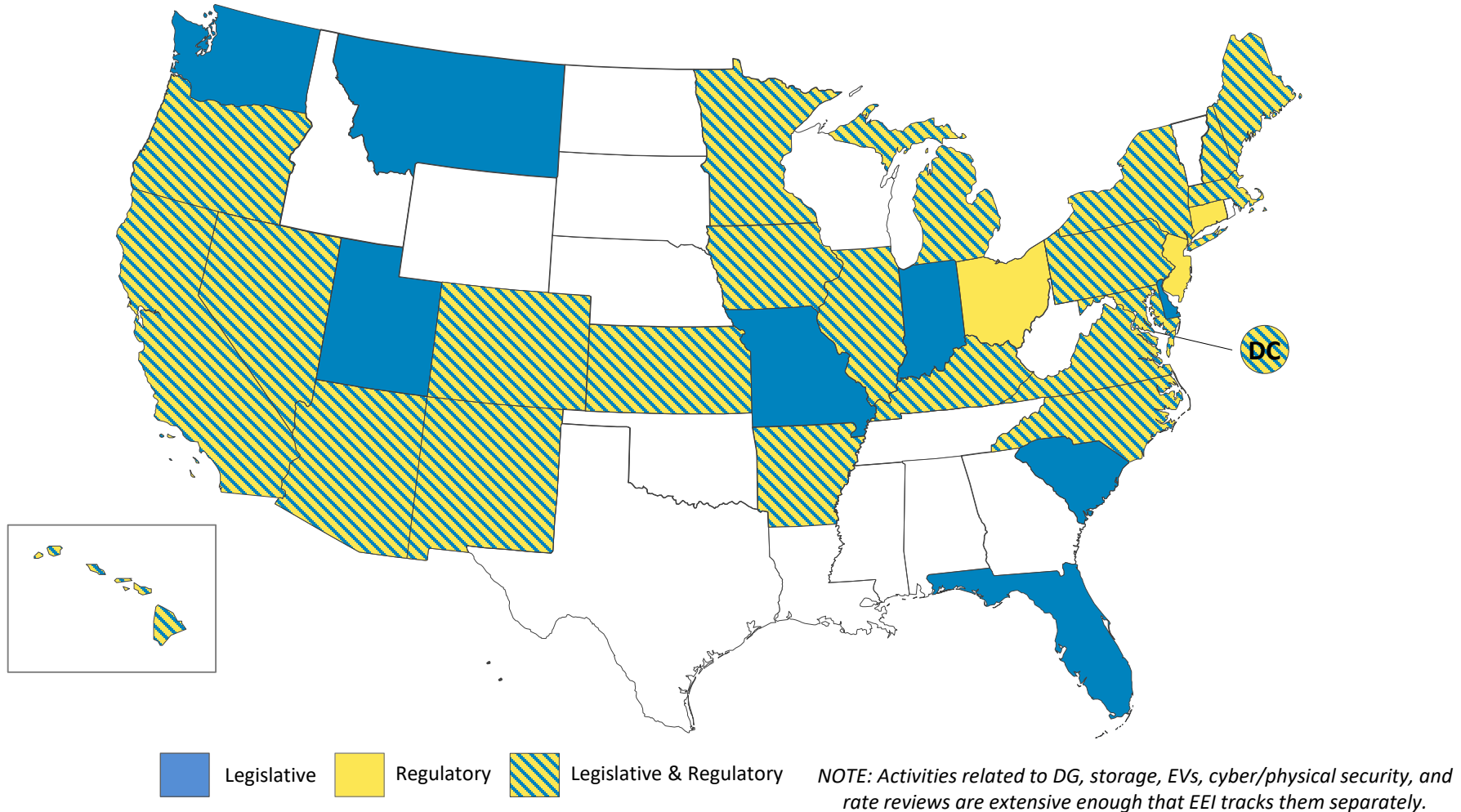
Climate Discussion

- Legislative Activity
 - Green New Deal
 - House Select Committee on the Climate Crisis
 - Senate Activity and Ad-Hoc Committee on Climate
- Democratic Presidential Candidates
 - Campaign Politics
 - Influencing the Political Debate

State Legislative and Regulatory Priorities

- Grid Modernization
- Distributed Energy Resources
- Electric Transportation
- Rate Reform
- Regulatory Reform
- Resiliency

Grid Modernization Regulatory & Legislative Activity (Sept 2018 – Aug 2019)



Other State Policy Drivers

- **California**

- Wildfire legislation

- **Climate Legislation**

- NY, CA, WA

- **Nuclear Legislation**

- OH

- **2019 Elections**

- Governors in KY, LA, MS
- Legislative Control in VA
 - House 51-49 R
 - Senate 21-19 R

- **2020 Expectations**

- Climate, Grid Mod, EVs, Restructuring Discussions, Nuclear, NEM...

Post 2020 Election Policy Trends

■ Regardless of Election Results

- Climate Change
- Infrastructure
- Taxes (TCJA Extenders)

■ Trump Re-elect

- Focus on the Economy, Deregulation agenda continues...
- Trade
- Taxes (TCJA Extenders)

■ Democratic Nom Wins

- Climate Change
- Economic Inequality (Taxes)
- Healthcare

The Edison Electric Institute (EEI) is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for 220 million Americans, and operate in all 50 states and the District of Columbia. As a whole, the electric power industry supports more than 7 million jobs in communities across the United States.

Safe, reliable, affordable, and clean energy powers the economy and enhances the lives of all Americans.

EEI has more than 60 international electric companies as International Members, and hundreds of industry suppliers and related organizations as Associate Members.

Organized in 1933, EEI provides public policy leadership, strategic business intelligence, and essential conferences and forums.

For more information, visit our Web site at www.eei.org.

