



ADAPTING TO A NEW POLICY ENVIRONMENT

Presented by:

John J. Reed

Concentric Energy Advisors

NECBC U.S./Canada Energy Trade &
Technology Conference

November 17, 2016



Concentric Energy Advisors, Inc. specializes in management consulting and financial advisory services with an exclusive focus on the North American energy industry.

Our staff possesses expertise in all aspects of the natural gas and power markets at both the wholesale and retail levels, as well as the oil pipeline industry.

OUR SERVICE AREAS:

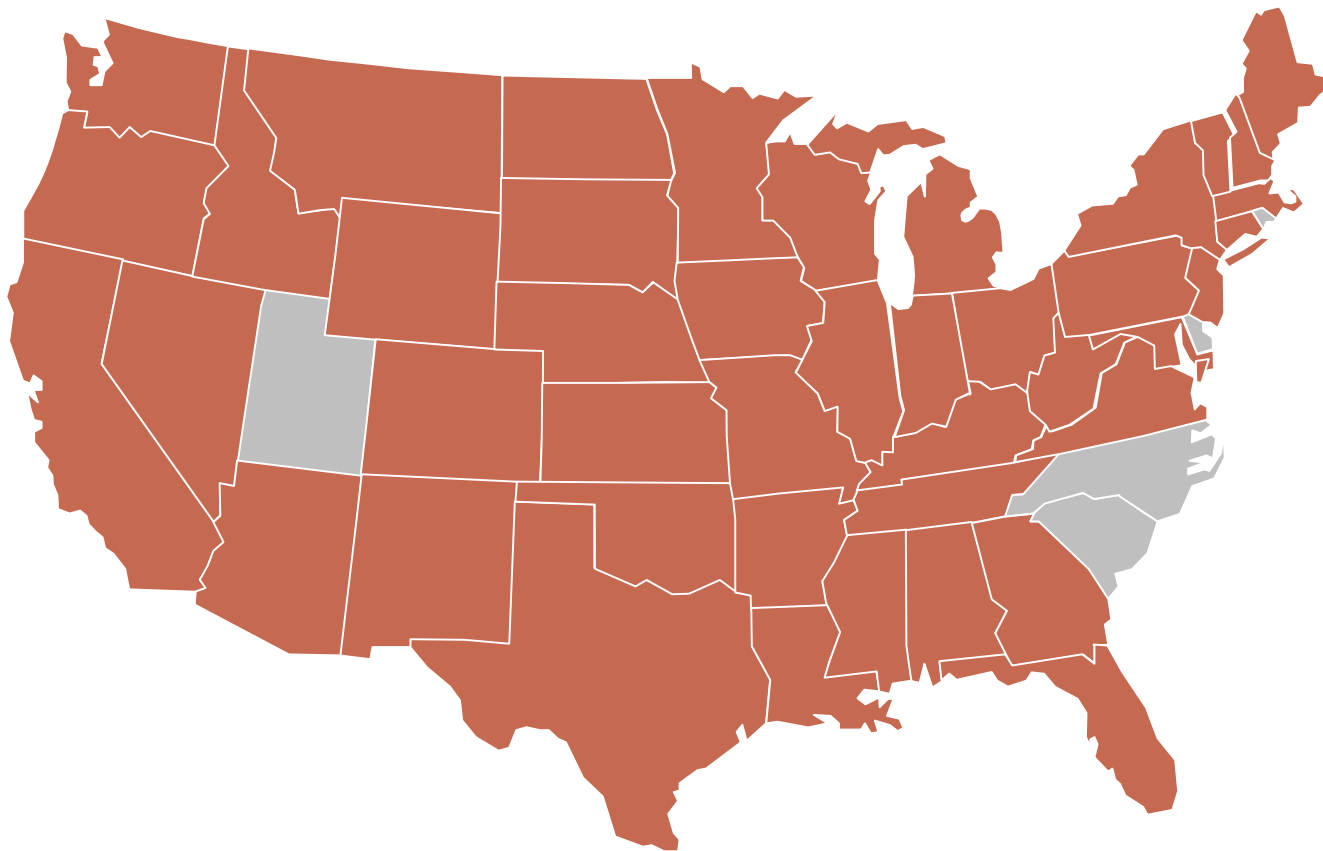
Regulation

Energy Markets and Resource Planning

Financial Advisory

Litigation

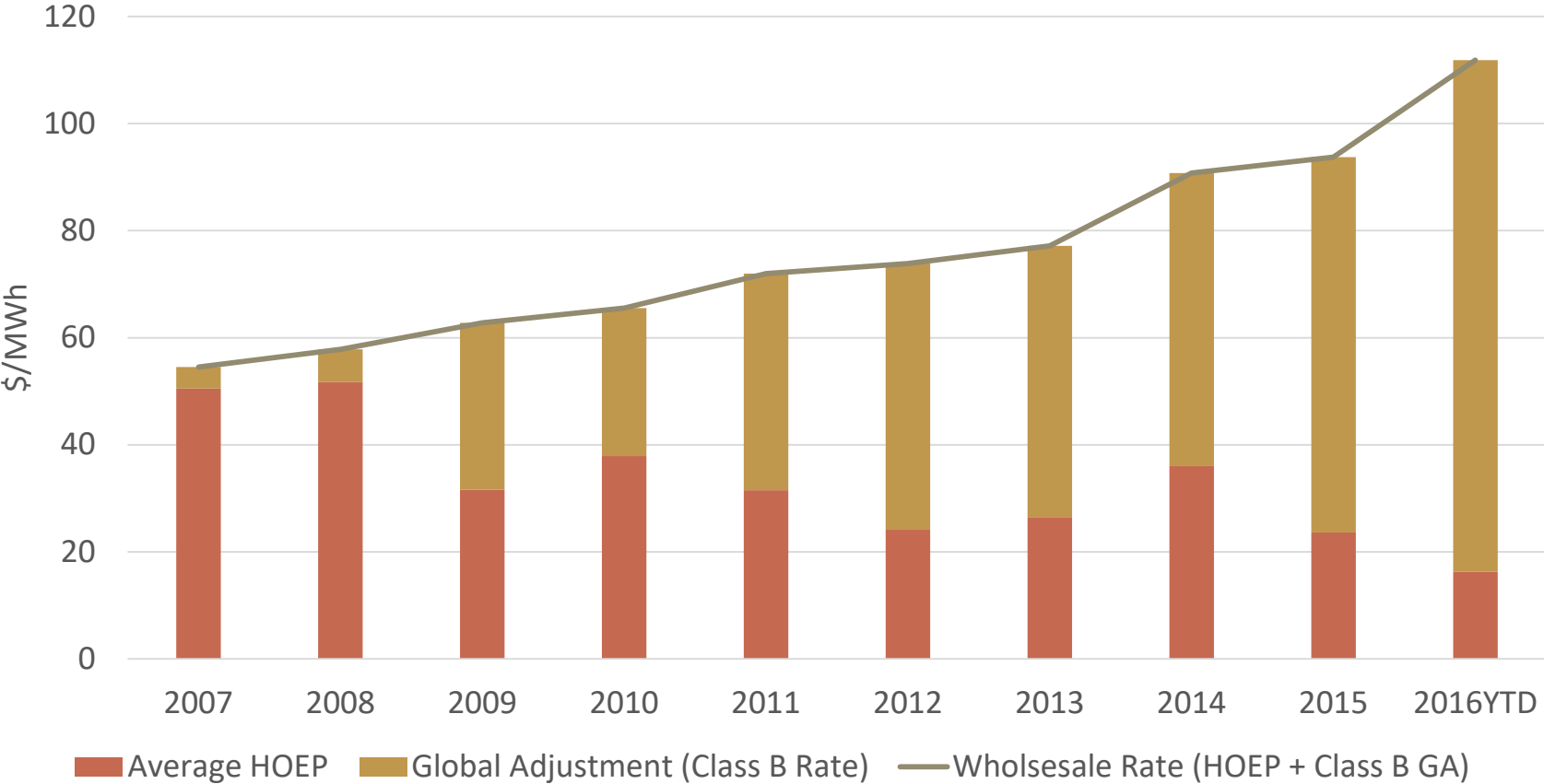
U.S. UTILITIES OWNED BY CANADIAN CORPORATIONS (POST SPECTRA ACQUISITION)



43 States Have Such Utilities; the Vast Majority Were Acquired in the Past 5 Years.

ONTARIO'S PATH OF POWER PRICES: WHAT TO AVOID

Ontario's Electric Generation Prices



Source: IESO

MARKETS WORK FOR OBJECTIVE GOALS: LET'S NOT ASSUME WE ARE SMARTER THAN THEY ARE

- Focus on the ultimate objectives (e.g., carbon reduction, economic development, fuel diversity, stable, competitive prices), not the anticipated means to the end (e.g., RPS).
- ITM solutions bring to bear competitive forces that integrate new and old resources, and that solve a multi-objective optimization problem.
- New England's power and gas markets need new resources in order to be competitive and environmentally acceptable; by being thoughtful about what we incent and how we do it, we can achieve our objectives without sacrificing reliability or least-cost objectives.
- New England, New York and Canada have benefitted substantially from close energy market ties; let's not let campaign slogans or private interests cloud the public benefit that has been achieved and is achievable.