

# Market Analysis: A Comparison of SEEM and other Markets Across Various Metrics

Summer 2022



# Disclaimers

*Data and analyses contained in this presentation are accurate as of the year noted for the particular metric. The analyses were conducted in good faith and were based upon assumptions believed to be reasonable as of the date of this presentation.*

*The Southeastern Energy Exchange Market (SEEM) expected member participation is neither confirmed nor definite. Analysis of "SEEM" was inclusive of expected members as of May 2022.*

# Market Analysis Overview

How does the proposed SEEM compare to other markets across four metrics?



## Customer Satisfaction

- As measured by the J.D. Power 2021 Electric Utility Residential Satisfaction Study<sup>SM</sup> and J.D. Power 2021 Electric Utility Business Satisfaction Study<sup>SM</sup>



## Reliability

- As measured by the J.D. Power 2021 Electric Utility Residential Satisfaction Study<sup>SM</sup> and J.D. Power 2021 Electric Utility Business Satisfaction Study<sup>SM</sup>



## Generation Mix

- 2020 Energy Information Agency (EIA)
- Forms 860 and 923



## Price

- 2020 EIA data
- Residential, Industrial & Commercial
- Form 861

# Key Takeaway: The SEEM Region has and will Continue to Deliver Clean, Affordable and Reliable Energy

## The proposed SEEM Region...



Serves its customers by *appropriately balancing* customer satisfaction, reliability, price, and clean energy.



Is *on pace with or outperforming* other markets across most metrics.



Will continue to increase clean energy generation while still providing world-class customer service, affordable and reliable power—*all without an RTO*.

# Key Takeaways: Summary of the Four Metrics

## Customer Satisfaction



Compared to other markets, in 2021 the average score of utilities in the proposed SEEM region ranked **first in the residential segment and first in the business segment for overall customer satisfaction** as measured by the J.D. Power 2021 Electric Utility Residential Satisfaction Study<sup>SM</sup> and J.D. Power 2021 Electric Utility Business Satisfaction Study<sup>SM</sup>

## Reliability



Compared to other markets, in 2021 the average Power Quality and Reliability satisfaction score of utilities in the proposed SEEM region ranked **first in the residential and first in the business segment** as measured by the J.D. Power 2021 Electric Utility Residential Satisfaction Study<sup>SM</sup> and J.D. Power 2021 Electric Utility Business Satisfaction Study<sup>SM</sup>

# Key Takeaways: Summary of the Four Metrics

## Price



In 2020, the proposed SEEM region had prices that were competitive across all customer classes with the lowest priced RTO regions, and **below the U.S. average prices and RTO average.**

## Generation Mix



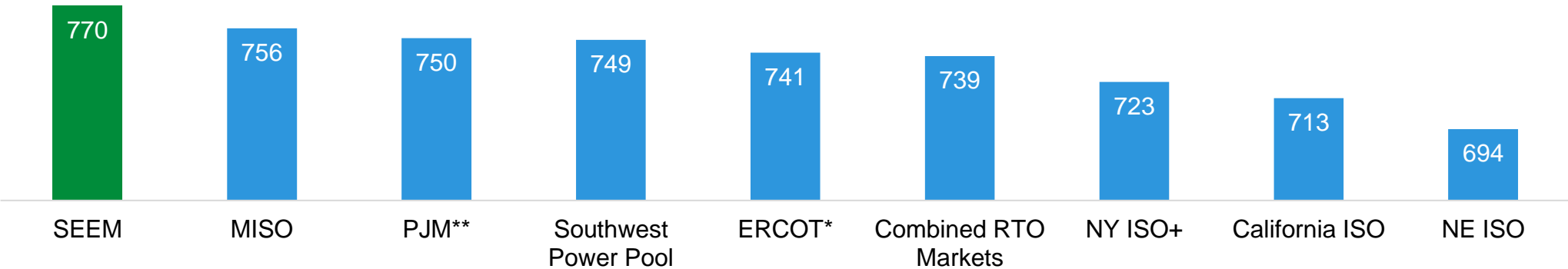
In 2020 the share of clean energy generation in the proposed SEEM region was **nearly the same** as the share of clean energy generation combined across the RTO markets, according to EIA data.

In 2020, the share of coal generation in the proposed SEEM region was **nearly the same** as the share of coal generation combined across the RTO markets, according to EIA data.

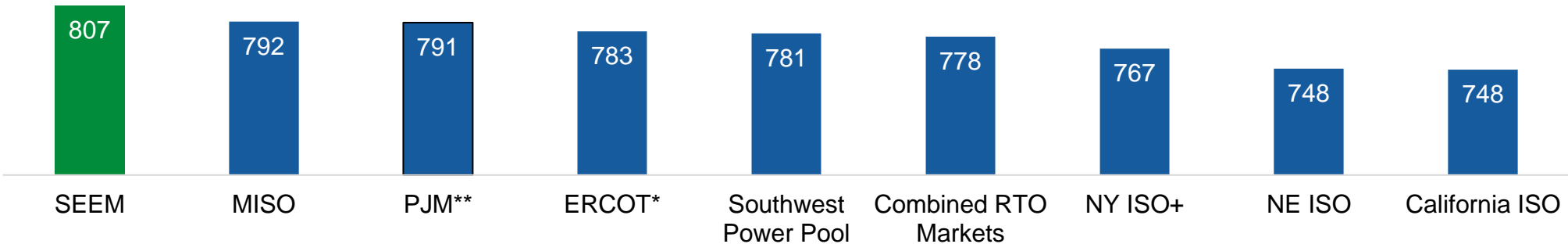
# Customer Satisfaction and Power Quality and Reliability Satisfaction Analysis

# 2021 Customer Satisfaction Index

## Residential



## Business



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Not all utilities in SEEM are being surveyed. Data analysis is custom based upon J.D. Power data and unrelated to awards or rankings.

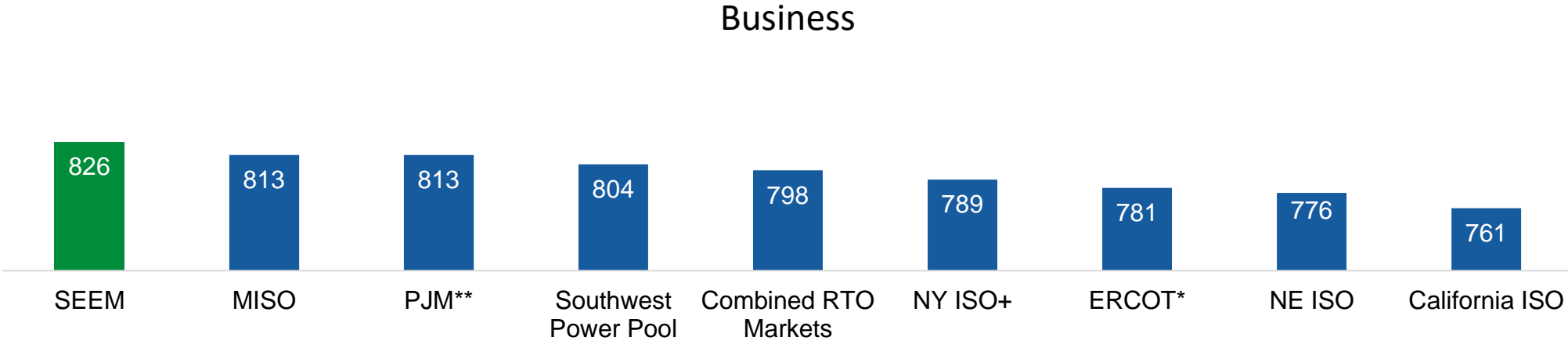
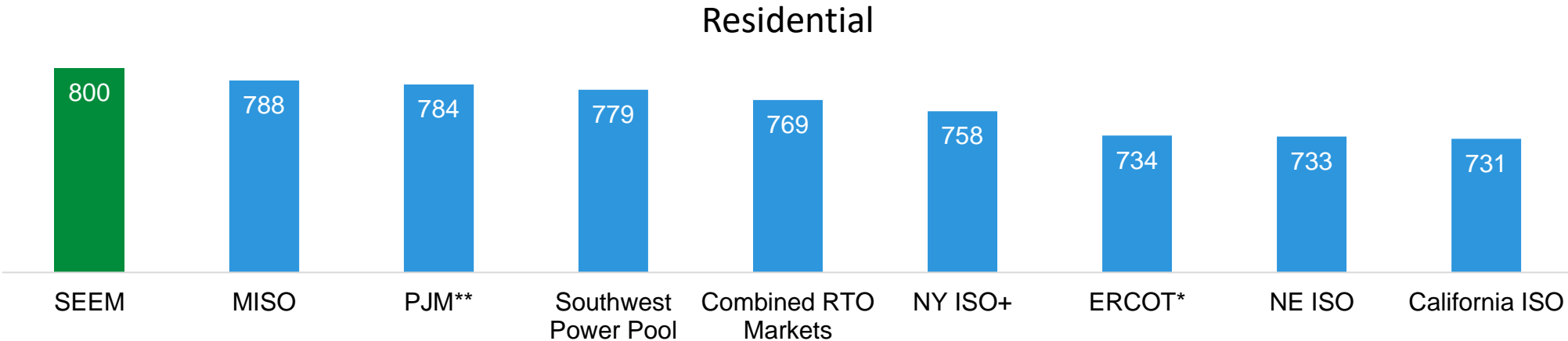
\*ERCOT is not fully covered in JD Power studies - approximately 25% of residential meters and 16% of business meters are included in JD Power studies and the rest are part of the retail market in Texas

\*\*Dominion Energy is included in the PJM average

+National Grid is included in the NY ISO average



# 2021 Power Quality and Reliability Index



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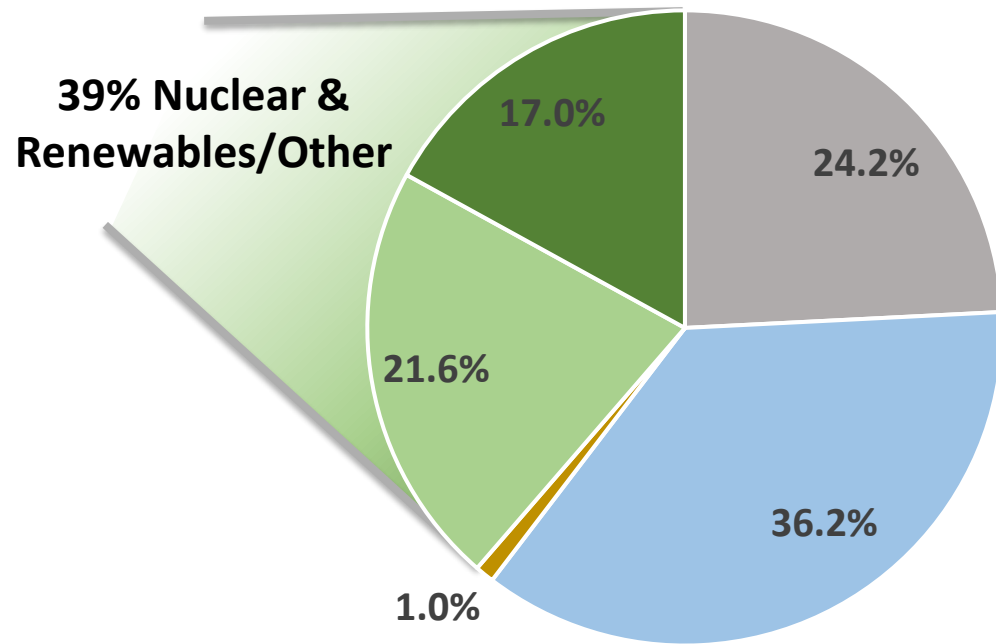
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+National Grid is included in the NY ISO average

# Generation Mix Analysis



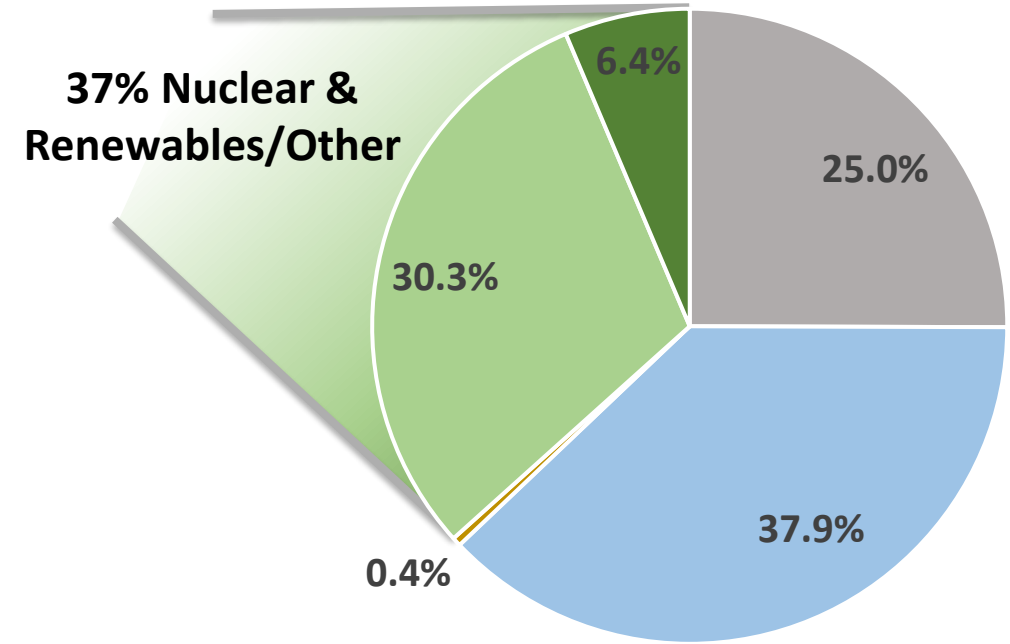
# 2019 Generation Mix

All RTOs



■ Coal ■ Gas ■ Oil/Misc ■ Nuclear ■ Renewables/Other

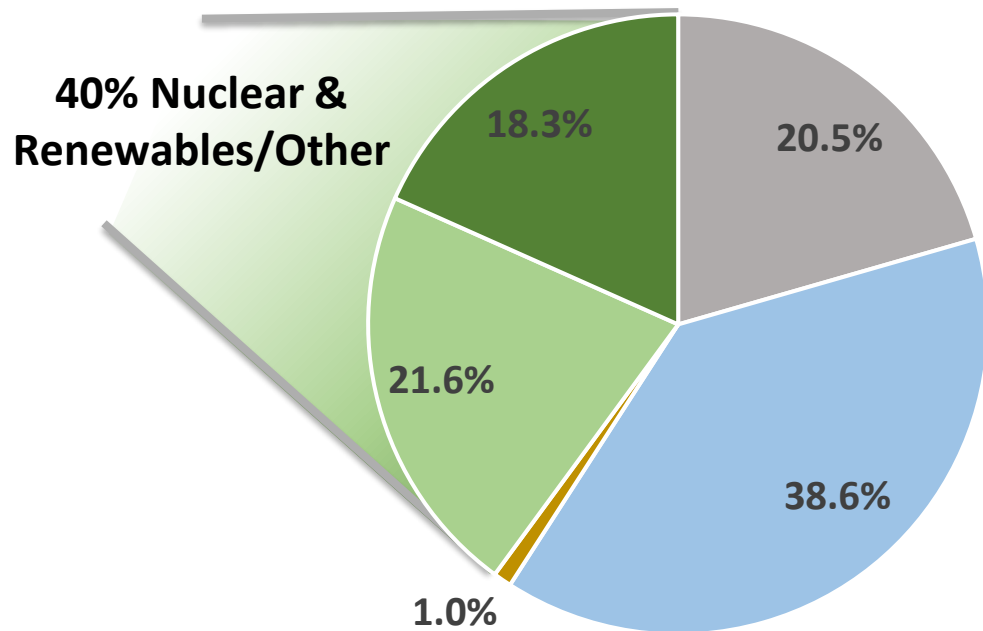
SEEM



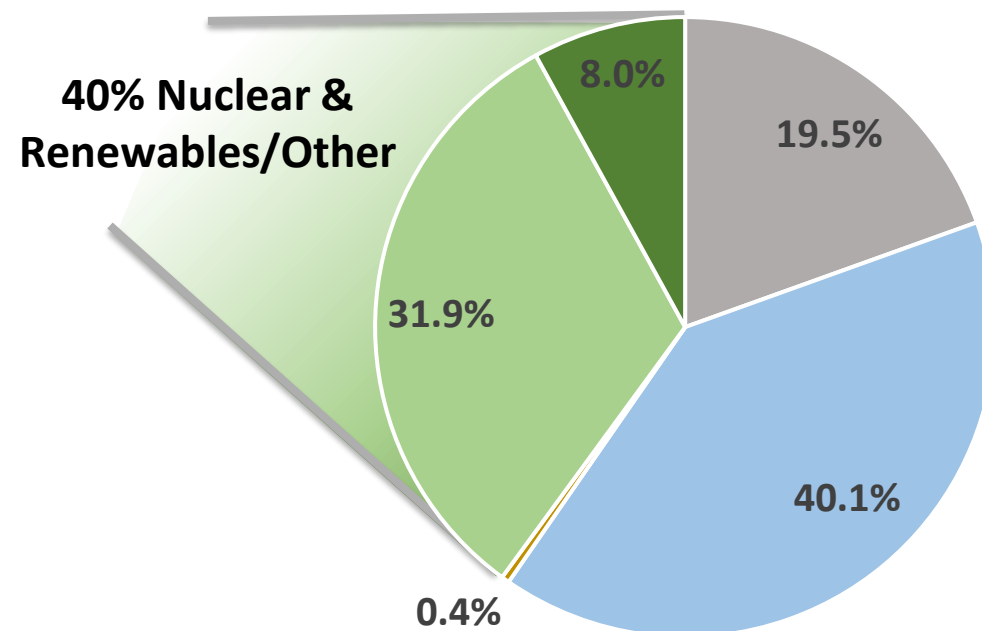
■ Coal ■ Gas ■ Oil/Misc ■ Nuclear ■ Renewables/Other

# 2020 Generation Mix

All RTOs



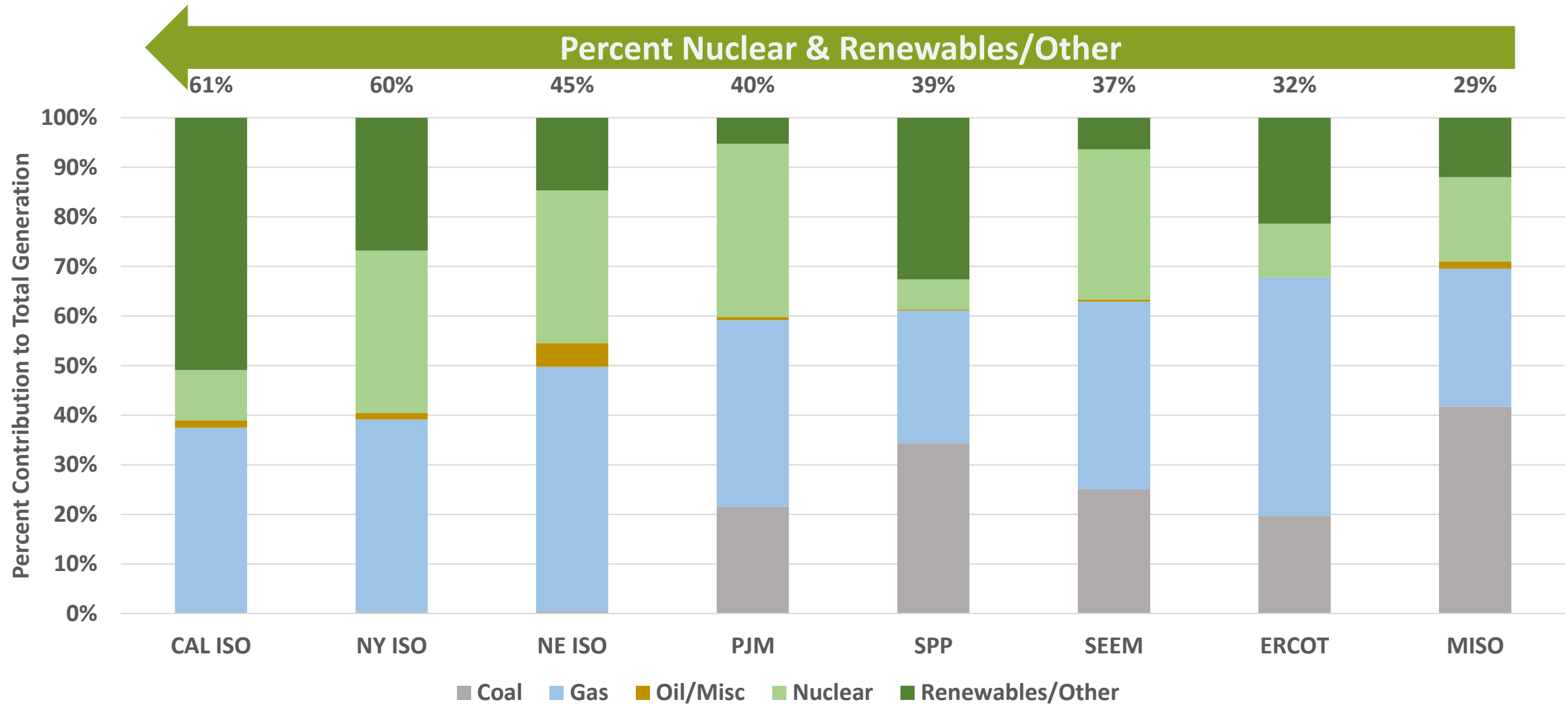
SEEM



■ Coal ■ Gas ■ Oil/Misc ■ Nuclear ■ Renewables/Other

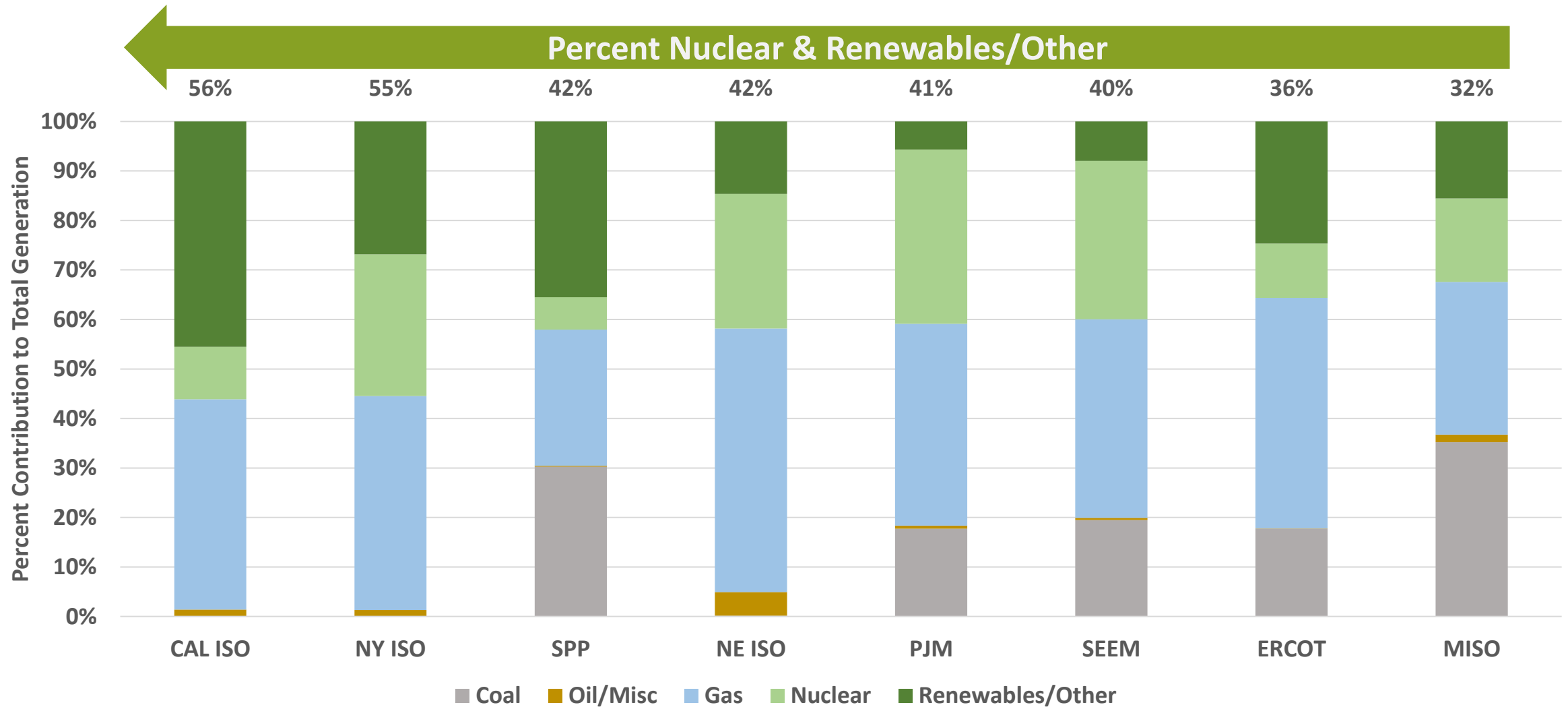
■ Coal ■ Gas ■ Oil/Misc ■ Nuclear ■ Renewables/Other

# 2019 Generation Mix by Region



Source: EIA Forms 860, 923

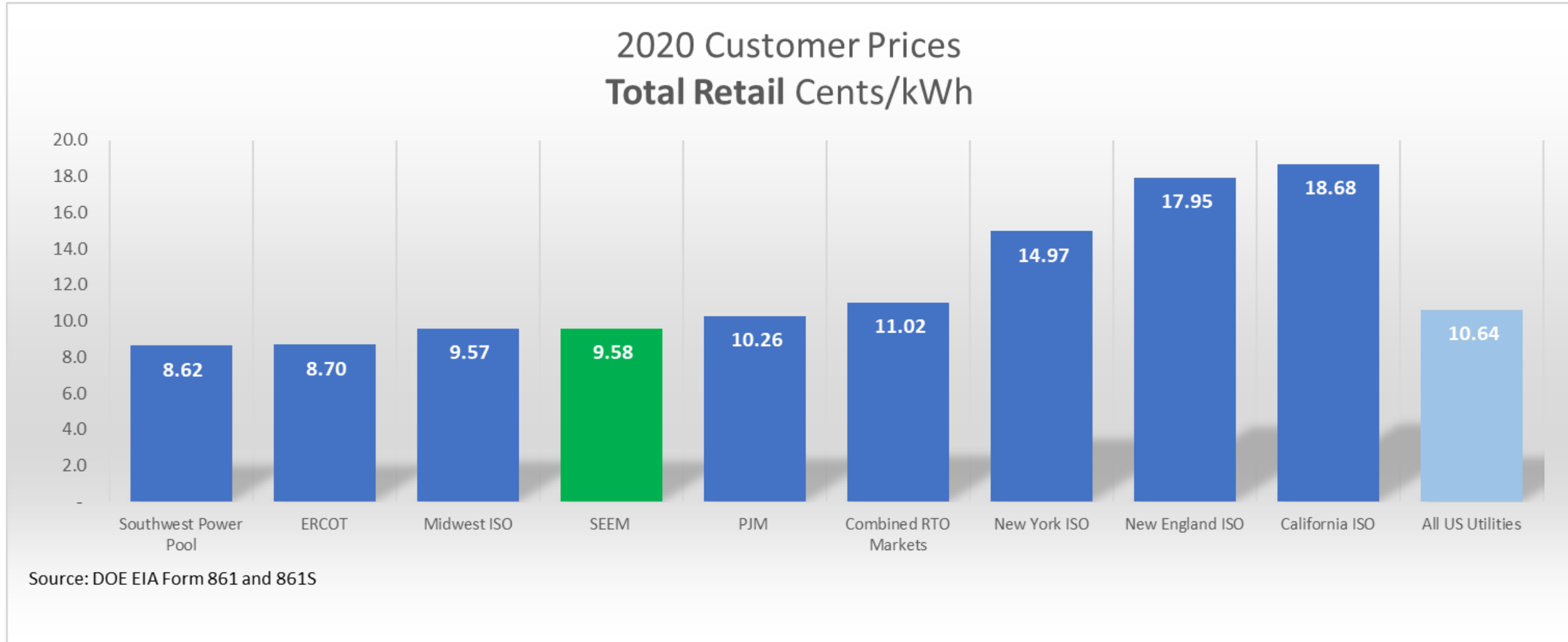
# 2020 Generation Mix by Region



Source: EIA Forms 860, 923

# Price Analysis

# 2020 Average Retail Prices

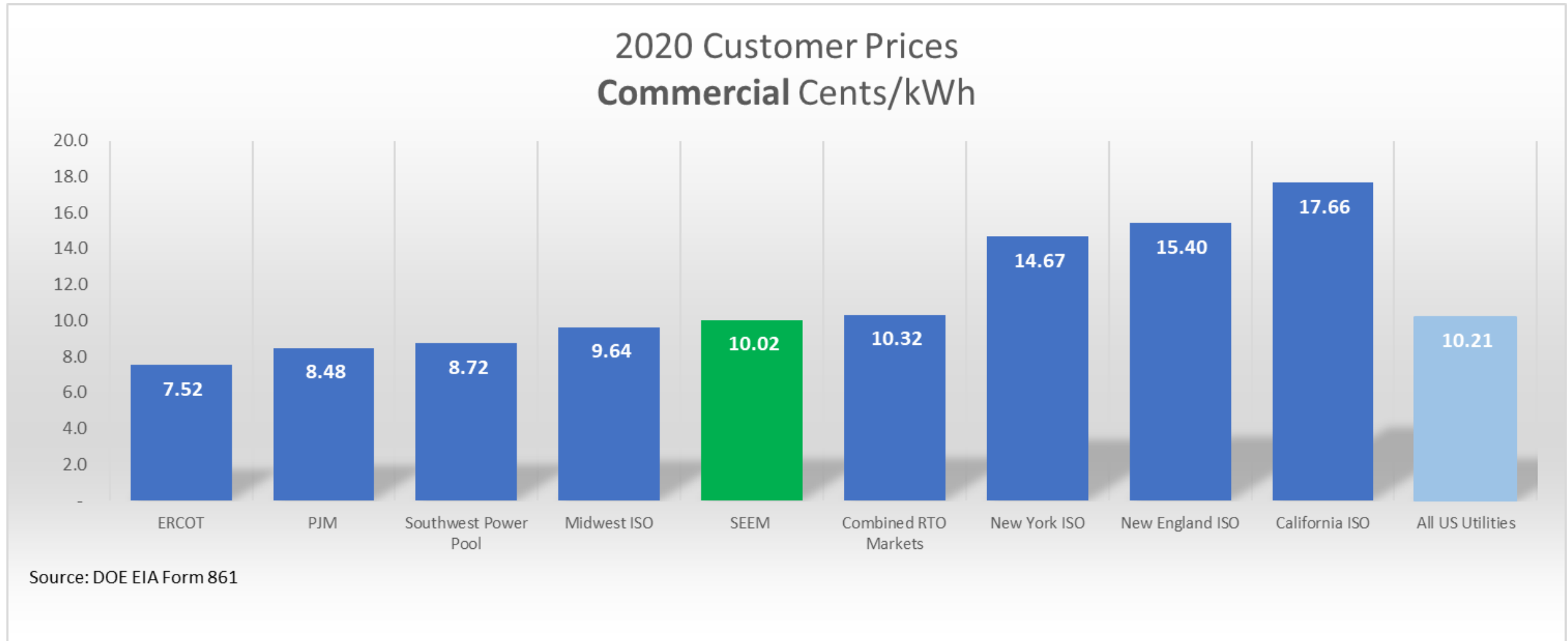




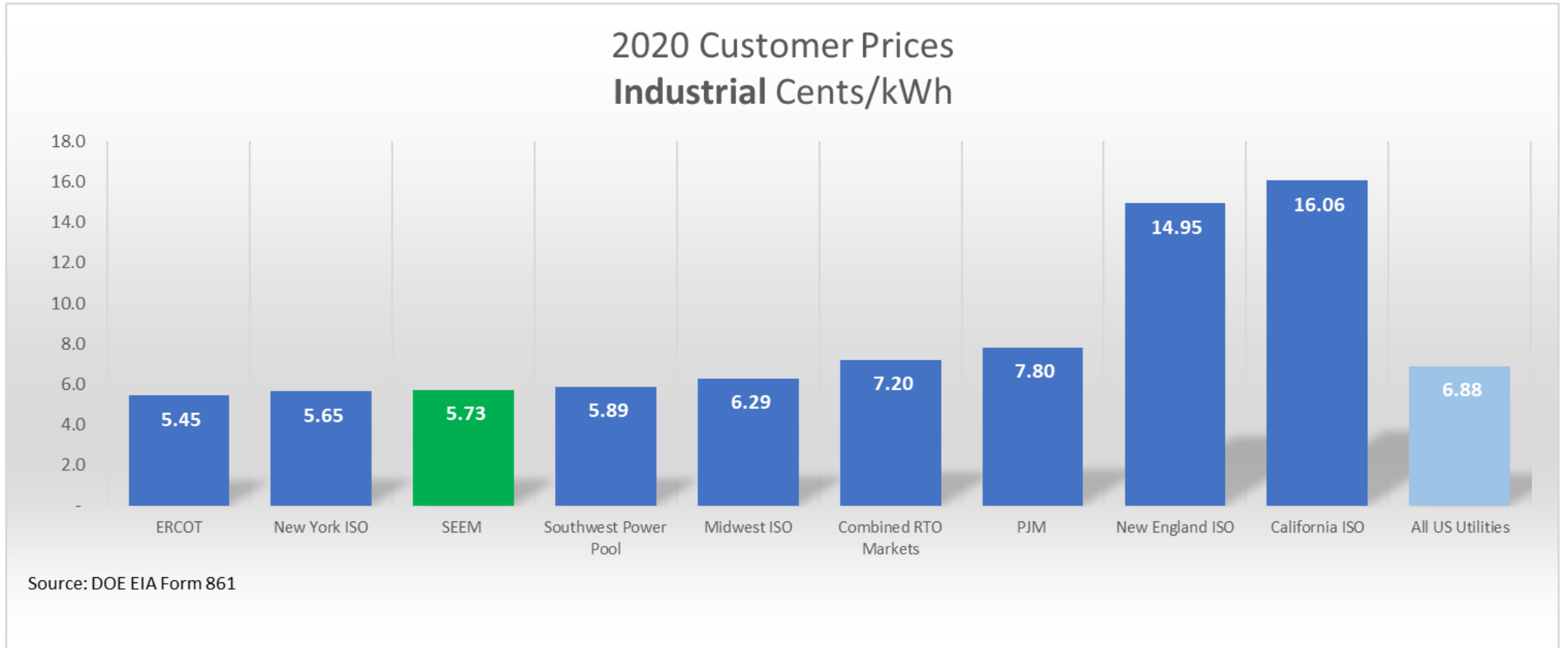
# 2020 Average Residential Prices



# 2020 Average Commercial Prices



# 2020 Average Industrial Prices



# Appendix

# Data Source Descriptions

- **Engaged Customer Relationship Index and Safety and Reliability Index**
  - All utilities that participate in the Escalent Cogent Syndicated *Utility Trusted Brand and Customer Engagement* Residential and Business Study in the relevant market (Study participation thresholds- Residential: 140 largest US utility companies and Business: ~81 largest US utility companies); therefore, there are fewer companies evaluated under this metric than the price or generation mix metric (e.g., some municipal power authorities and electric cooperatives)
  - Using last full year of data (2021)
- **Price**
  - All utilities in organized markets (IOUs, munis, co-ops, governmental entities such as TVA, etc.)
  - SEEM: all companies expected to participate in SEEM
  - 2020 data (complete 2021 EIA data will not be available until Q4 2022)
  - The data produced herein uses EIA data for each of the individual utilities within the SEEM footprint.
- **Generation Mix**
  - All generating units in the respective RTO market as flagged by EIA
  - SEEM: all units tied to potential SEEM participants' balancing authorities, according to EIA
  - 2020 data (complete 2021 EIA data will not be available until Q4 2022)

## Data Source Descriptions, page 2

- *For total retail prices, data is derived from EIA Form 861 and 861S. Utilities larger than 200,000 MWh in annual sales/deliveries file Form 861, which includes total sales by customer class as well as total retail sales. For year 2020 reporting, utilities with less than 200,000 MWh in annual sales/deliveries filed form 861S, which only includes reporting of total retail sales and not sales by class. Therefore total retail prices are based on a slightly larger population of utilities than the class electricity prices. The impact on the data should be minimal, because utilities under 200,000 MWh in sales/deliveries are a small percentage of total sales and deliveries, and there is no reason to expect a strong correlation between utility size and the price of electricity to their customers.*

# Expected SEEM Members Included in Analyses

*Associated Electric Cooperative, Dalton Utilities, Dominion Energy South Carolina, Duke Energy Carolinas, Duke Energy Progress, Georgia System Operations Corporation, Georgia Transmission Corporation, LG&E and KU Energy, MEAG Power, NCEMC, Oglethorpe Power Corp., PowerSouth, Santee Cooper, Alabama Power, Georgia Power, Mississippi Power, and TVA\**

Not all expected SEEM members are included in the Cogent Syndicated *Utility Trusted Brand and Customer Engagement* Residential and Business Study