



Constellation Energy®

How Climate Change Will Change the Business Climate



The way energy **works**.™

Institute for Regulatory Policy Studies, Springfield Illinois

December 10, 2009

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How Will the Future Be Shaped?

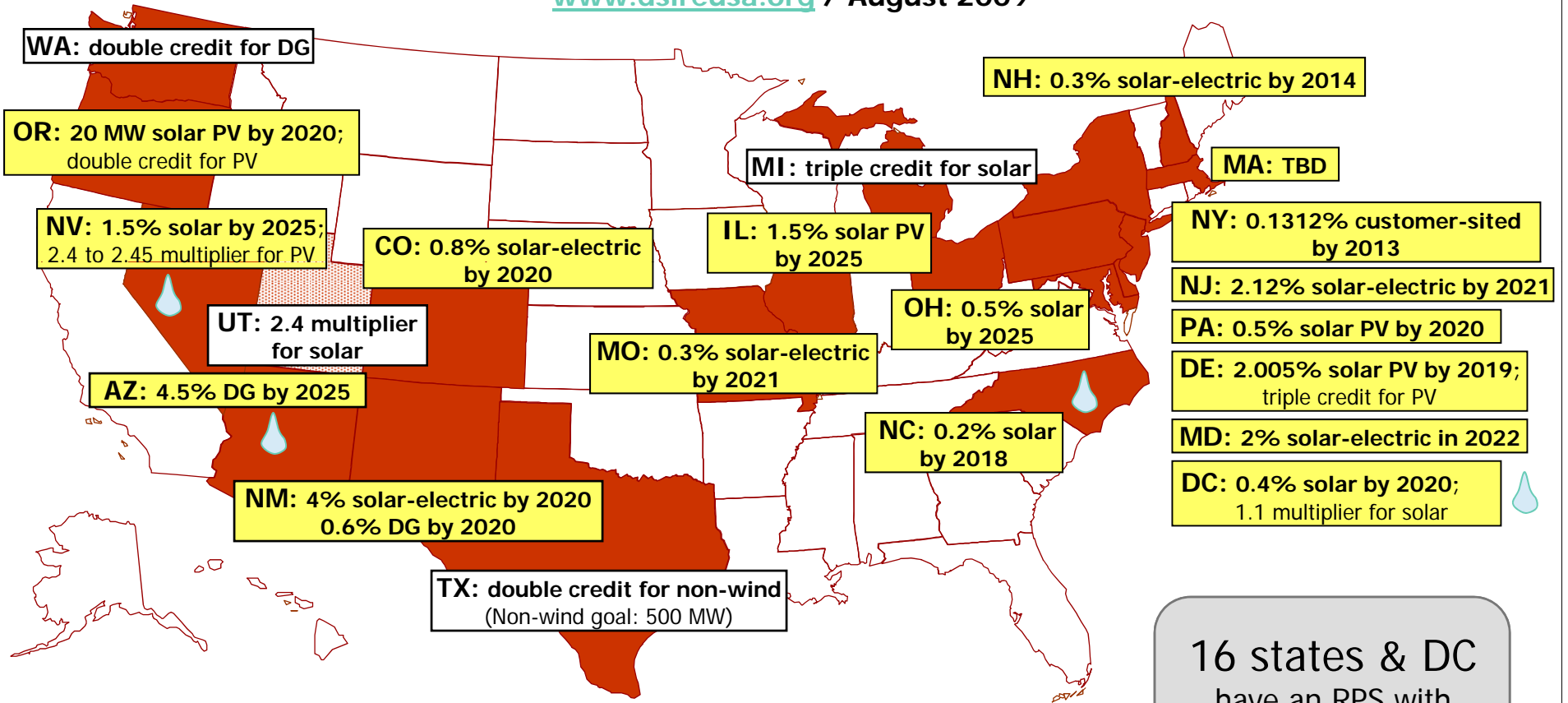
- Build on Illinois' success and continue to be a champion for a vibrant electric market for commercial and industrial customers.
- Recognize that the world is changing; cultivate flexibility rather than commitment.
- Encourage innovation.

Illinois is a market leader – retail and wholesale.

- **C+I customer switching is relentless, with majority having switched.** 75% of non-residential load is being supplied by alternate suppliers.
- **C+I customers can choose** from more than 35 suppliers and at least six brokers.
- **Products have proliferated**, with customers choosing many options (pricing structures, term, fuel source, contract language, associated equipment, distributed generation) based on their respective business models.

Solar Development Is Encouraged Nationally

www.dsireusa.org / August 2009



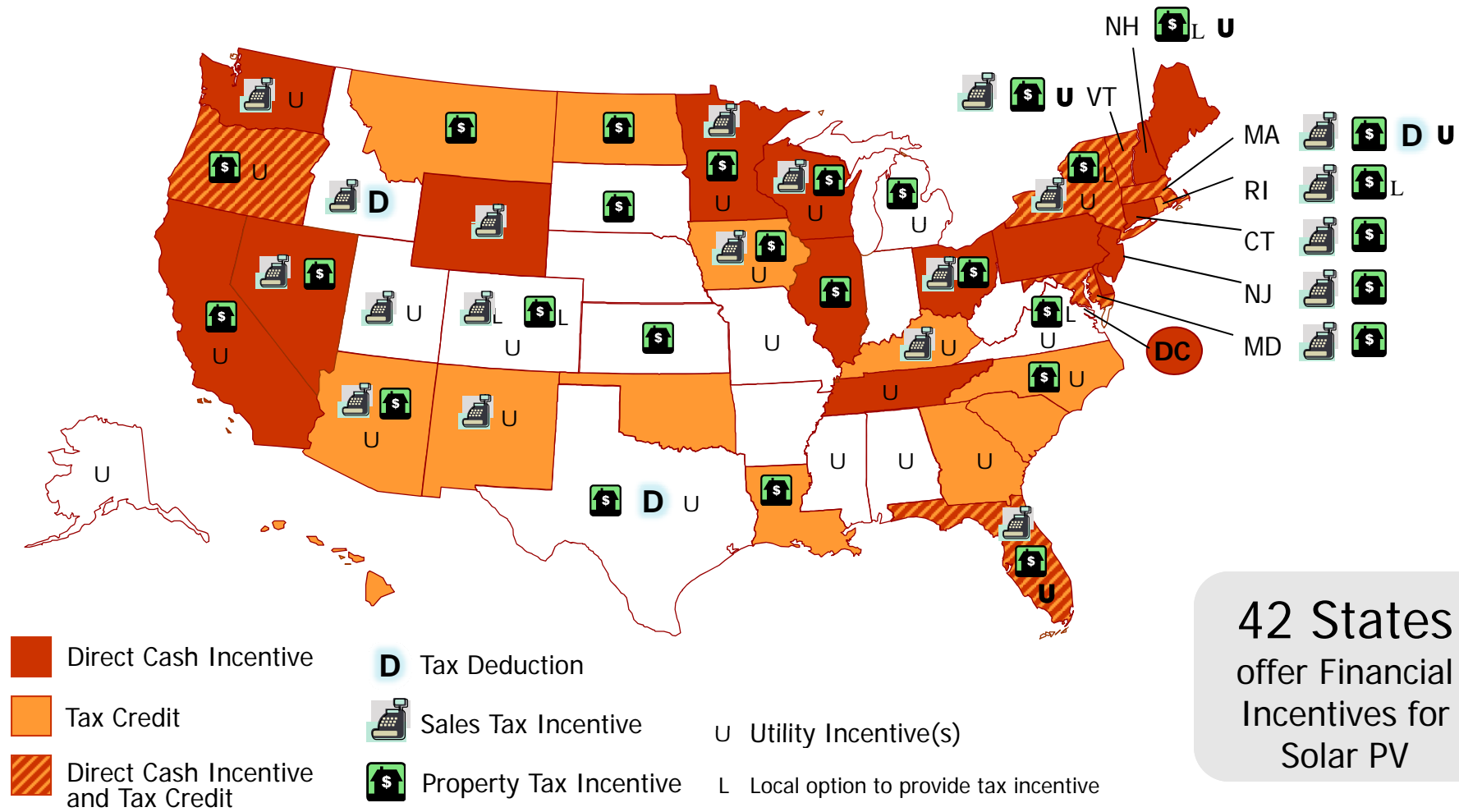
- State renewable portfolio standard with solar / distributed generation (DG) provision
- State renewable portfolio goal with solar / distributed generation provision
- Solar water heating counts toward solar provision

16 states & DC have an RPS with solar/DG provisions

Note: RI requires 3 MW of solar by 2014, but this not part of the state's RPS policy.

States are Showing Solar the Money

www.dsireusa.org / May 2009



Smart Grid = The Energy Information Superhighway



Smart Grid starts
designing the rules
of the road,
AND the on and off
ramps.

Major Inputs & Potential Sources of Surprise

Environment

Economy

Technology

Fuels

Environment: What We Know



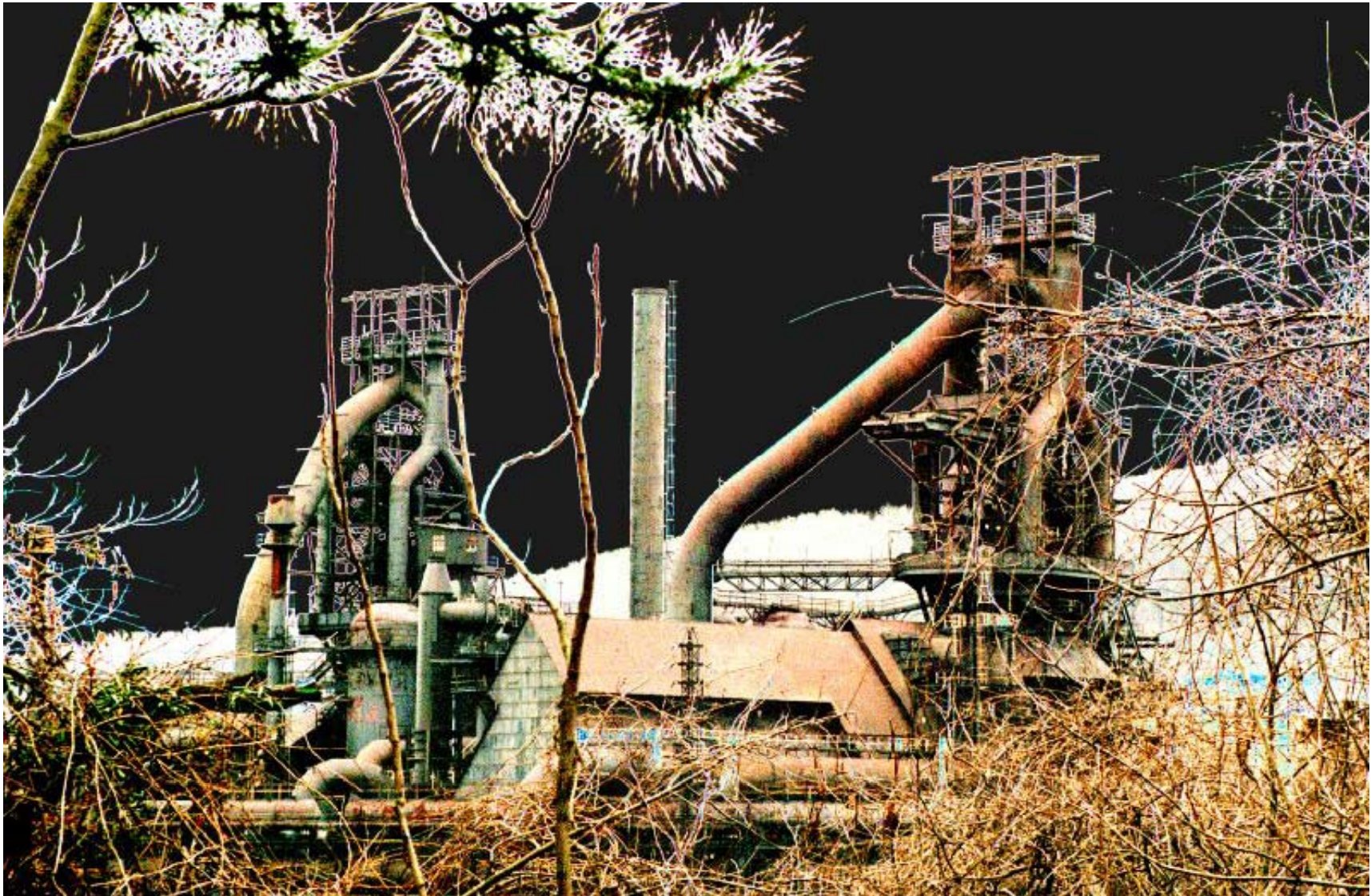
Environment: What We Don't Know



Economy: What We Know



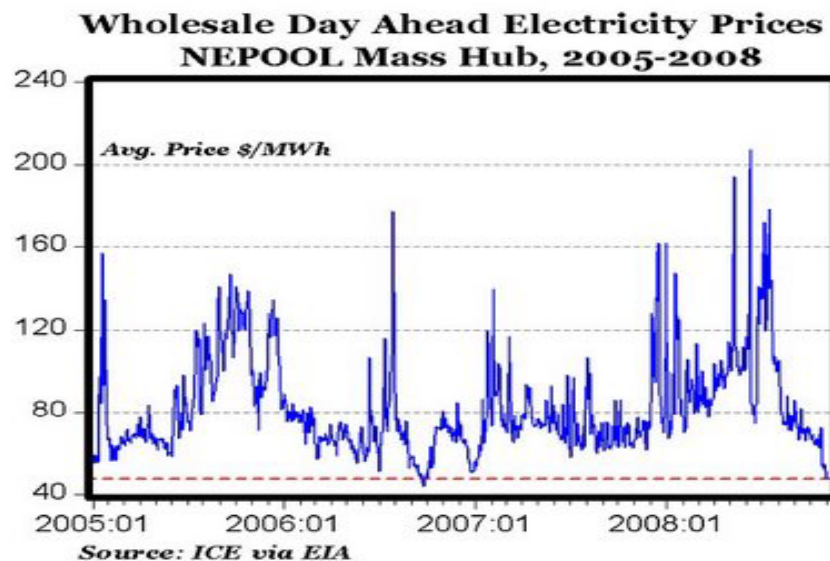
What We Don't Know



Cars & Technology: What We Know



Cars & Technology: What We Don't Know



Timing &
Elasticities

Smart Buildings: What We Know



Buildings Can Get a Lot Smarter

Current Usage



Current usage: 4.75 MW

Current usage values as of Tue November 03, 2009 16:26

Grid Load



Current ISO Load : 75,320 MW

Grid load as of Tue November 03, 2009 16:26

Message Center

System Message

ISO results last updated on Tue November 03, 2009 16:22 (EST)

Current Weather



, 21742

57°

Camden, 08104 60°

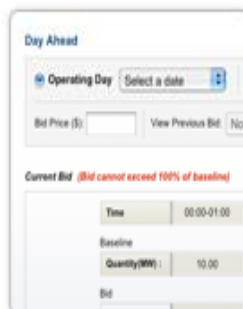


DASHBOARD

Statistical information for your company.

- Overview of Current Usage
- Historical Usage

[View Dashboard](#)



LOAD RESPONSE PARTICIPATION

Online access to your bids and awards.

- Create and submit bids
- View and search current bids

[View Bid Activity](#)

Smart Buildings: What We Don't Know



**How Does
Participation
Affect the
Outcome?**

Renewable Technology: What We Know



Sun Worship
Has Been
Around for a
Long Time

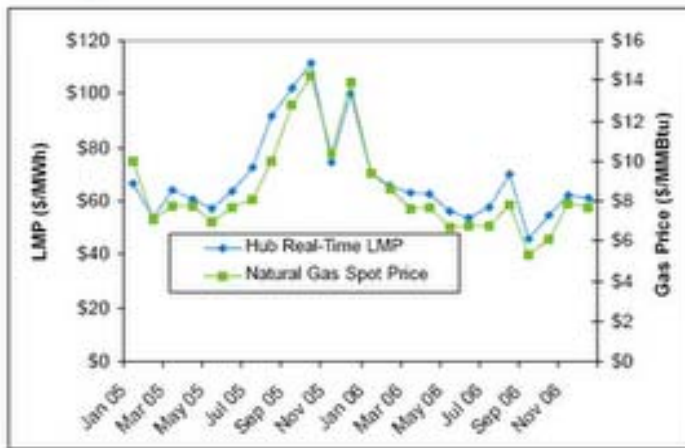
Renewable Technology: What We Don't Know



Energy Storage: What We Don't Know



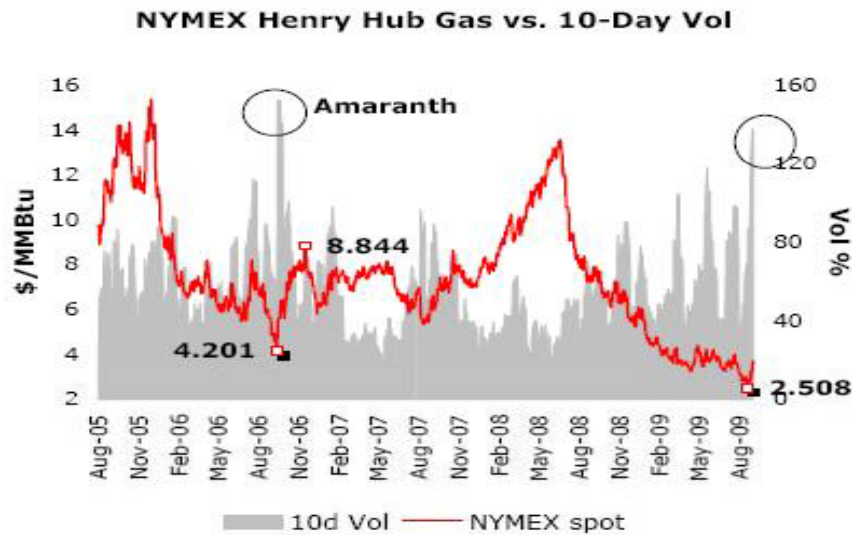
What We Know: Fuel Prices



Source: ISO New England

Gas Prices
Drive the
Price of
Wholesale
Electricity

What We Don't Know: Fuel Prices



Where Will Prices Go?

Source: Financial Times

Information: What We Know



The Race May Yield Surprising Results



Which Technology Will Prevail?

Some Intriguing Outcomes



Dead Ends



Money Will Drive Outcomes



When We Build It, Who Will Come?

