

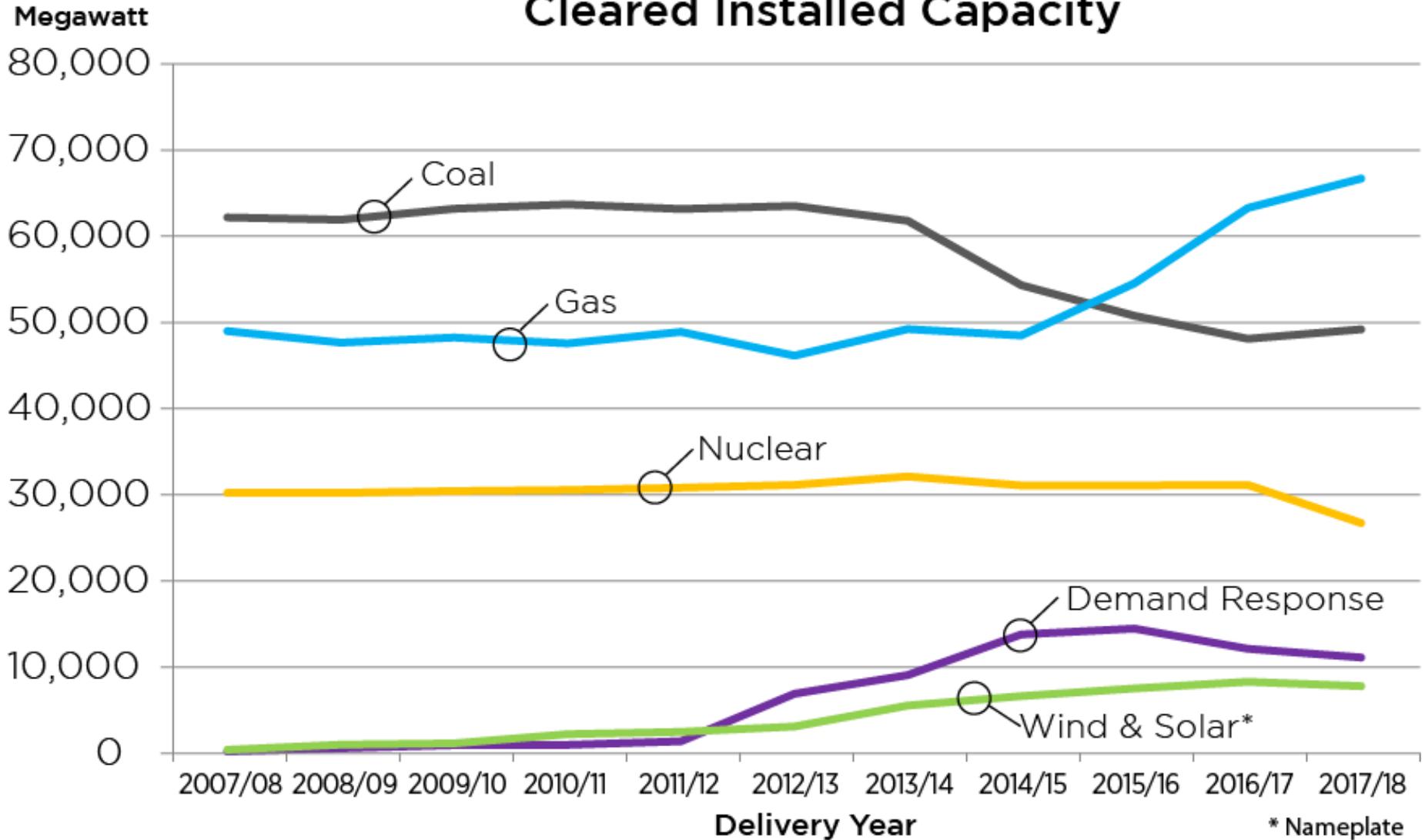
Gas / Electric Coordination Ensuring Fuel Adequacy

Andrew Ott

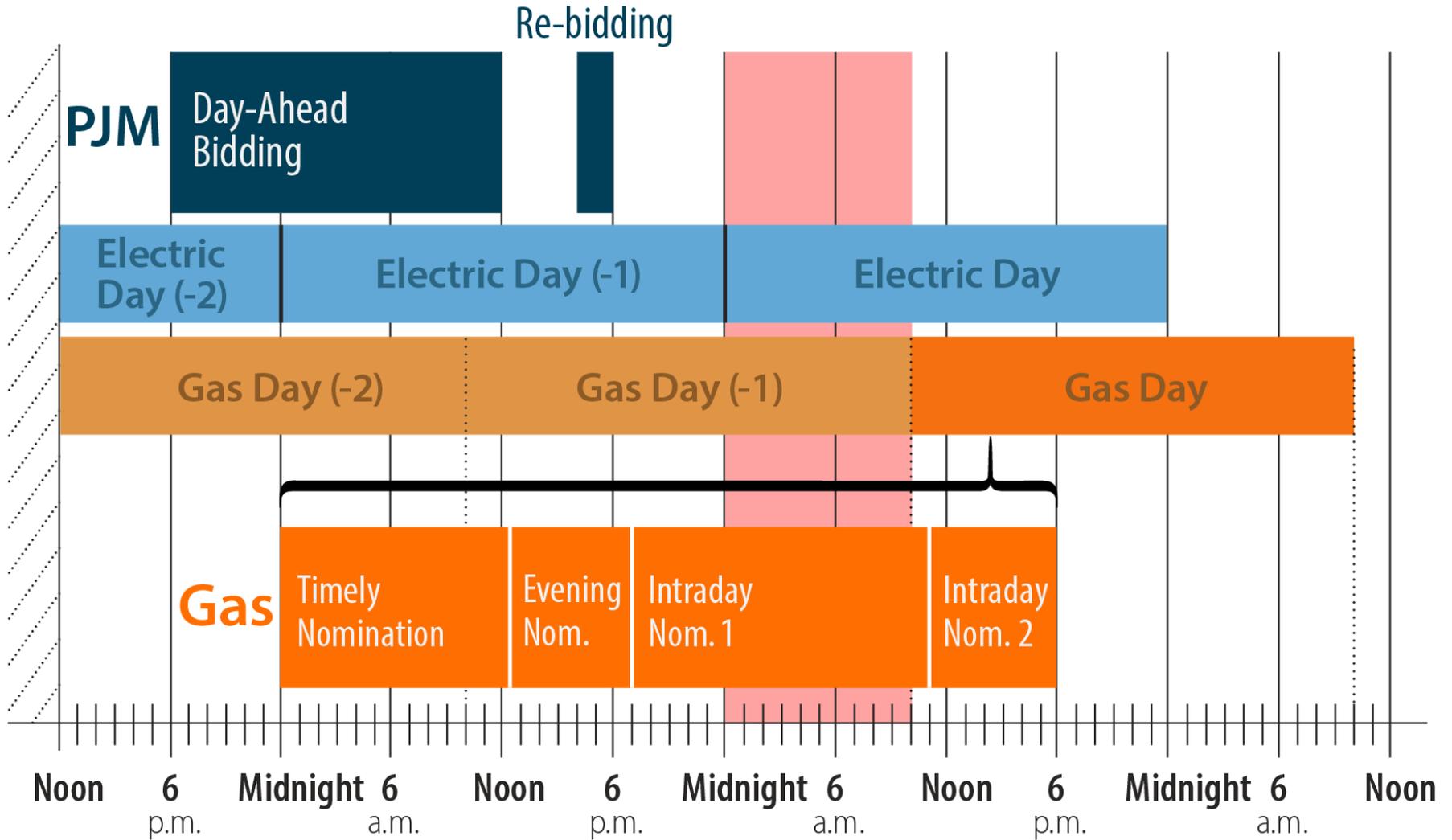
Executive Vice President, Markets

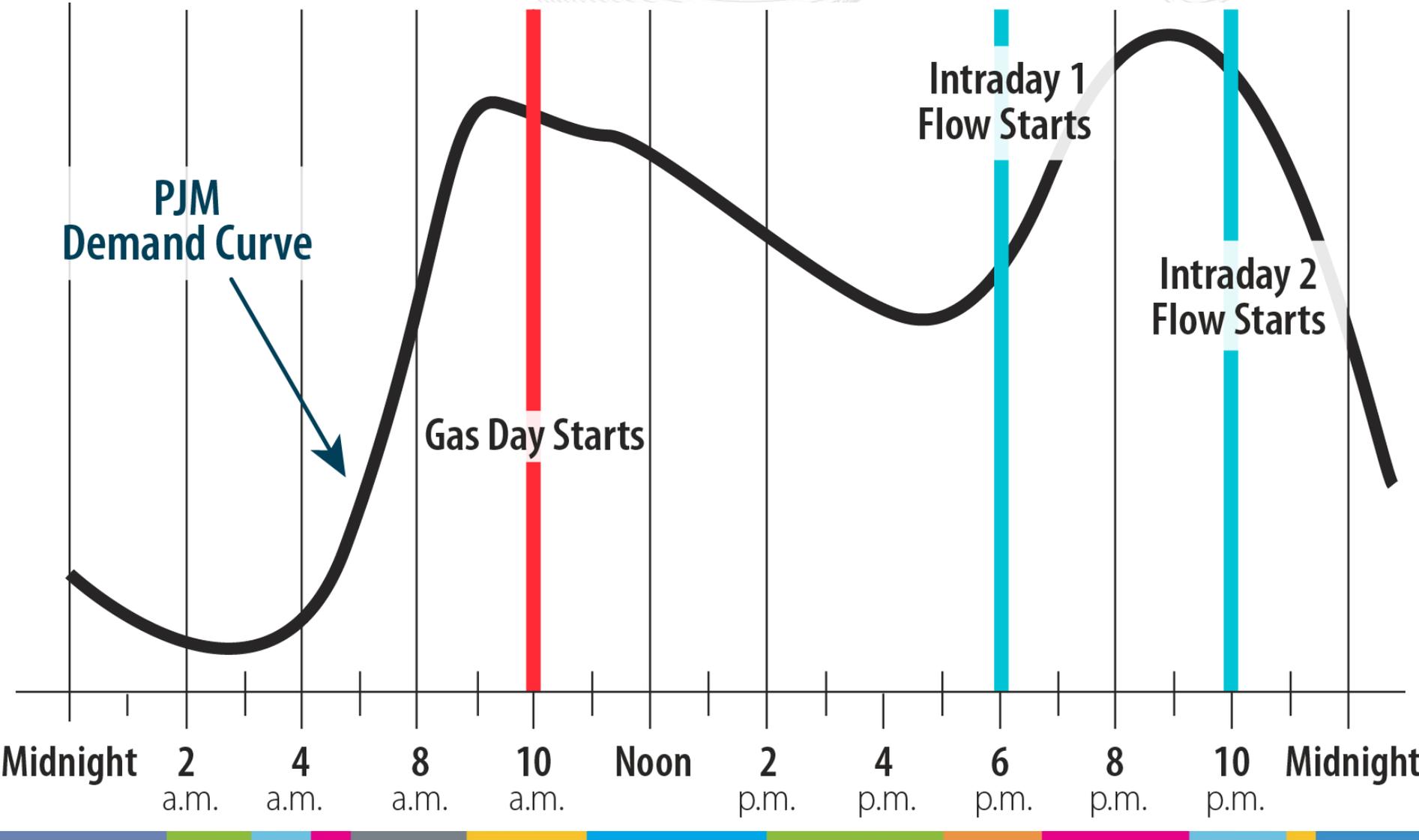
September 25, 2014

Cleared Installed Capacity



* Nameplate





Evolution of Supply

- Traditional resources



Less flexible

- Renewable resources



Intermittent

- Coal to gas fuel transition, introduces coordination issues

Market Revenue Sources

- Energy Market
- Capacity Market
- Grid Services Markets

Market Evolution

- Energy Market
 - Price Formation
 - Scarcity Pricing
 - Reduce out of market payments
- Capacity Market
 - Product Definition
 - Performance Expectations
 - Fuel Security
- Grid Services Markets
 - Incent innovation
 - Incent flexibility

Fuel Security

Performance
Incentives
and Penalties

Operational
Availability
and
Flexibility