

Surviving Sub-One Percent Sales Growth



PRESENTED TO

National Association of Business Economists

PRESENTED BY

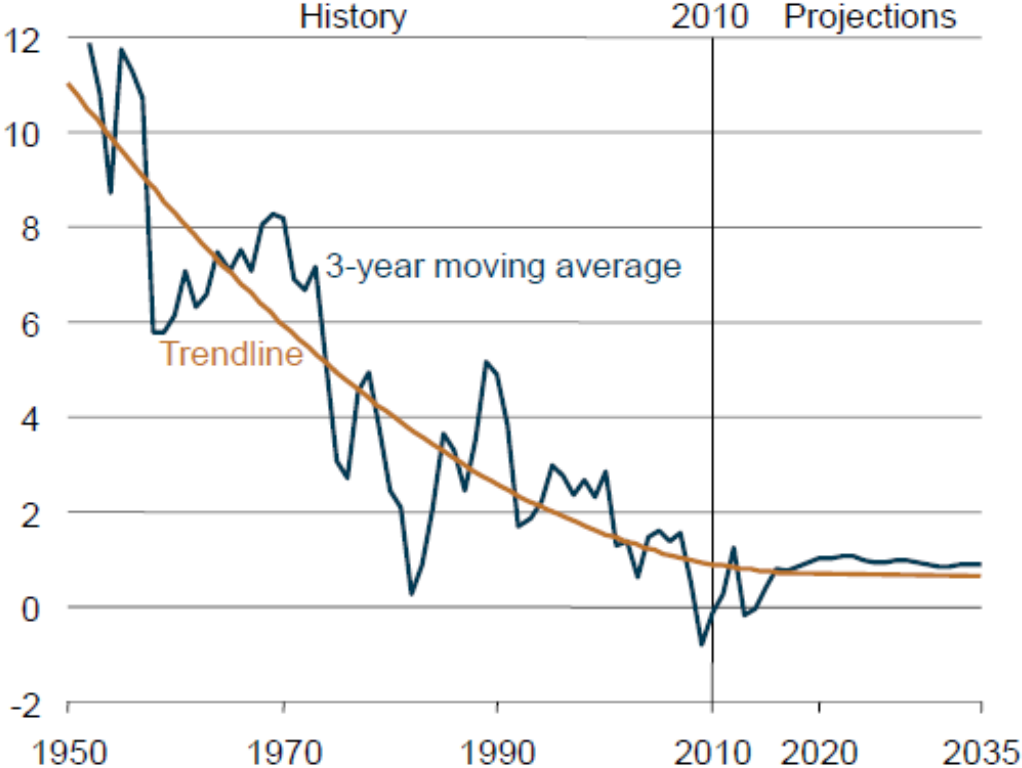
Ahmad Faruqi, Ph.D.

San Francisco, California
September 9, 2013

THE **Brattle** GROUP

The New Normal of Demand Growth

U.S. Electricity Demand Growth, 1950-2035
(percent, 3-year moving average)



Source: EIA, 2012 Annual Energy Outlook

Four Strategies

Stay the course

Electrification

Become a Wires Company (Safe Haven)

Become an Energy Services Company (Go on the offense)

Three Tactics

Rethink sales forecasting

Rethink load and market research

Rethink rate design

Presenter Information



AHMAD FARUQUI

Principal | San Francisco

Ahmad.Faruqui@brattle.com

+1.415.217.1000

Dr. Faruqui's expertise includes demand forecasting, innovative rate design, energy efficiency, demand response, advanced metering infrastructure, technology assessment, and cost-benefit analysis. He has testified before state, provincial and federal commissions and appeared before legislative bodies, government agencies, utilities and other audiences in Australia, Bahrain, Brazil, Canada, France, Egypt, Ireland, Jamaica, Hong Kong, Philippines, Saudi Arabia, Thailand, the United Kingdom and the United States. He has managed the design and evaluation of large-scale dynamic pricing experiments in California, Connecticut, Florida, Illinois, Maryland and Michigan and is currently leading a project to evaluate the effect of time-of-use rates in Ontario. His early work on time-of-use pricing pilots is cited in Bonbright's text on public utility rates. His research on the efficient use of energy has been cited in The Economist, The New York Times, USA Today and The Wall Street Journal. He has appeared on Fox News and National Public Radio. The author, co-author or editor of four books and more than 150 articles, papers and reports, he holds a Ph.D. in economics from The University of California at Davis and B.A. and M.A. degrees in economics from the University of Karachi.

The views expressed in this presentation are strictly those of the presenter(s) and do not necessarily state or reflect the views of The Brattle Group, Inc.

About Brattle

The Brattle Group provides consulting and expert testimony in economics, finance, and regulation to corporations, law firms, and governments around the world. We aim for the highest level of client service and quality in our industry.

We are distinguished by our credibility and the clarity of our insights, which arise from the stature of our experts, affiliations with leading international academics and industry specialists, and thoughtful, timely, and transparent work. Our clients value our commitment to providing clear, independent results that withstand critical review.

Our Practices

PRACTICES

- Antitrust/Competition
- Commercial Damages
- Environmental Litigation and Regulation
- Forensic Economics
- Intellectual Property
- International Arbitration
- International Trade
- Product Liability
- Regulatory Finance and Accounting
- Risk Management
- Securities
- Tax
- Utility Regulatory Policy and Ratemaking
- Valuation

INDUSTRIES

- Electric Power
- Financial Institutions
- Natural Gas
- Petroleum
- Pharmaceuticals, Medical Devices, and Biotechnology
- Telecommunications and Media
- Transportation

Offices

NORTH AMERICA



Cambridge



New York



San Francisco



Washington, DC

EUROPE



London



Madrid



Rome