

*Not to put too fine a point on it, let competition be the bee in your bonnet.
When companies compete, **consumers win.***

Consumers benefit from:

Wholesale	Retail
<ul style="list-style-type: none">• Increased Efficiency• Lower emissions• Lower prices• Rapid Technology adoption• Appropriate risk allocation	<ul style="list-style-type: none">• Increased choice• Increased value• Increased control• Increased innovation• Appropriate risk allocation

Electric competition has been a success in markets where competition has been fully embraced, providing better overall value for residential and business customers by giving them increased choice, convenience, and control. Competitive markets are based on the principle that entities with the most efficient product and most value for customers will prevail.

WHAT ARE THE BENEFITS OF WHOLESALE COMPETITION?

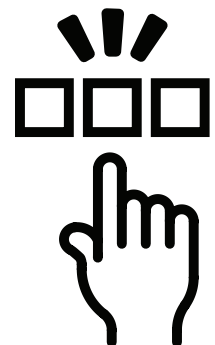
Wholesale market competition drives efficiencies and places risk on the appropriate party – the investor, not a captive rate payer. Competitive suppliers focus on managing all the risks associated with producing power. Further, in competitive markets, wholesale prices provide incentives to build new infrastructure and customers are free from the obligation to fund those investments. Additionally, generators participating in the wholesale market are incentivized to run as efficiently as possible, resulting in lower emissions and lower costs. Also, as consumer demand for cleaner forms of energy increase, competitive generators have the flexibility and incentive to implement those technologies, instead of having costs stranded in outdated technology.

WHAT ARE BENEFITS OF CUSTOMER CHOICE?

Choice is at the heart of the value of electric competition. In areas where competition has been fully embraced, customers have:

- Increases choice, convenience, and control
 - **Choice** of how their electricity is generated, including renewables.
 - **Choice** of the kind of competitive electricity supplier they want
 - **Choice** of the level of convenience and control associated with their electricity service
- Seen innovation in grid operations and enhanced overall value of electricity service. For example, competitive markets have led the way in renewable energy development.
- Increased access to low prices.
- Seen improved customer services.

Efficient competition leads to production at the lowest achievable costs in the long-term, which is an outcome that results in an efficient use of society's resources



In the United States' jurisdictions where competition has been fully implemented, approximately 50 competitive electricity suppliers vie for the opportunity to serve residential customers, offering a broad variety of plans. There are more than 300 different residential service offers in each territory, not to mention the number of companies that focus on non-residential customers or provide additional “concierge”-type services to consumers.

HOW IS A COMPETITIVE MARKET MORE CONVENIENT FOR CUSTOMERS?

Meeting customers where, when, and how they want is a hallmark of competition, providing value that goes beyond the “commodity” price. Spurred by competition, retail electricity suppliers have introduced innovations to make convenient and personalized customer experiences possible – giving customers greater control and peace of mind, so they worry less about monthly electricity bills. For example, Vistra’s retail business offers a mobile app in certain markets to help customers keep track of their usage, view their monthly bill, and even get alerts if they are using more electricity than planned.

Because of competition, customers can shop for a competitive electricity supplier that matches their customer service-level preference. For instance, they can pick a supplier featuring access to a live agent 24/7 or opt to potentially save money by choosing one that relies predominantly on online support. Some suppliers offer ability for customers to interact with them through third-party products such as Amazon’s Alexa. In certain jurisdictions, customers can even contract with a “concierge” service that will switch them automatically to electricity plans that meet their value criteria.



HOW CAN ELECTED OFFICIALS EMPOWER CONSUMERS?¹

Elected officials can lead by empowering electricity consumers to drive decarbonization, innovation and change through voluntary retail choice. Let the people choose their source and type of power. Let them buy more modern, greener electric services and help transform the grid. **Let them choose among vibrant, competitive service offerings just as consumers enjoy in telecommunication, broadband, cable, transportation, and virtually every other formerly exclusive public utility service.** Allow electric power suppliers to compete, innovate, and develop services more responsive to the desires of consumers. Customers should not remain “owned” and taken for granted with single-source, vertically-integrated monopoly service for another 100 years.

Unleashing retail competition can benefit all customers. Competition will drive down cost of electric generation for all customers as it has in other competitive states. Competition will encourage investment in new greener infrastructure, create long-term, good-paying jobs, and stimulate the economy. Competition can accelerate compliance with clean energy standards in the most efficient, economic manner.

A utility thinking its customers just want to buy cheap kilowatt-hours is about the same as a restaurant thinking its customers just want to buy cheap calories. Like food, information, and communications, the electric power commodity can have more value as a service tailored to the needs and desires of the retail customer whether residential, commercial, and industrial. While resistance to change is economically rational for utilities, it is not economically beneficial for retail customers.

WHO HAS CONTROL IN A COMPETITIVE MARKET?

At the end of the day, electric competition is really about control. Who controls the choice around retail electricity service: the consumer or the utility? Competitive markets trust consumers to know what they want and to seek out those plans and services that provide them with the best overall value, not just price. It treats each consumer as an individual, allowing them to pick the electric service that best fits their unique need—whether that’s finding the least frills, lowest-price plan; a plan that lets you set a budget and easily track your usage; a plan that provides community solar and third-party product integration; or a plan that is full-service, 100% renewable with on-site solar as well. Electric competition gives control to families, individuals, and businesses to pick the electricity plan that makes the most sense for them.

1. Excerpted from “Election 2020: It’s time to consider an electricity customer Bill of Rights” by Todd Glass (Utility Dive, November 3, 2020: <https://www.utilitydive.com/news/election-2020-its-time-to-consider-an-electricity-customer-bill-of-rights/588235/>; Last accessed Nov. 4, 2020)