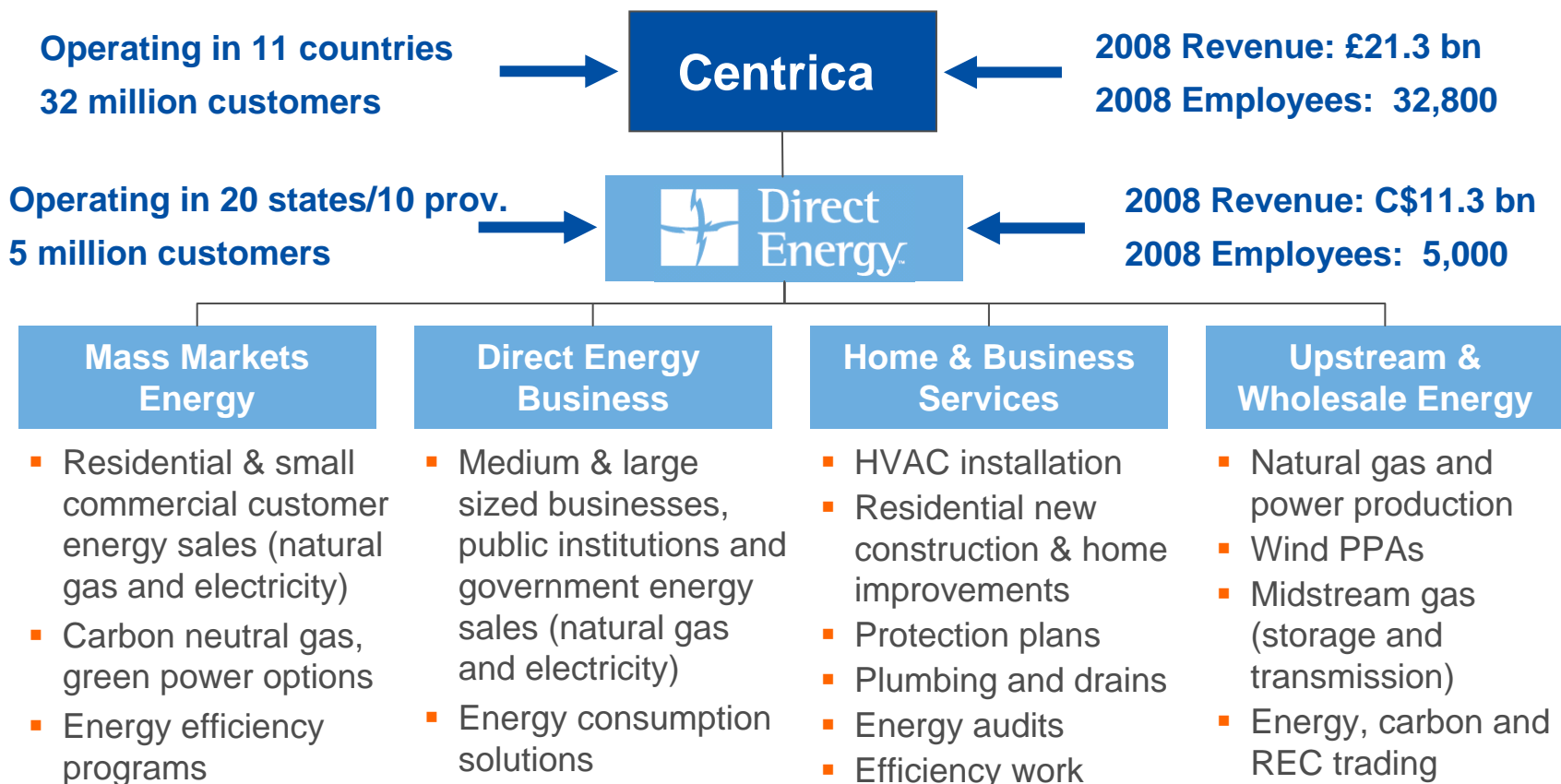


Power Generation and End-use Efficiency: Supply and Demand Side Opportunities

1 October 2009



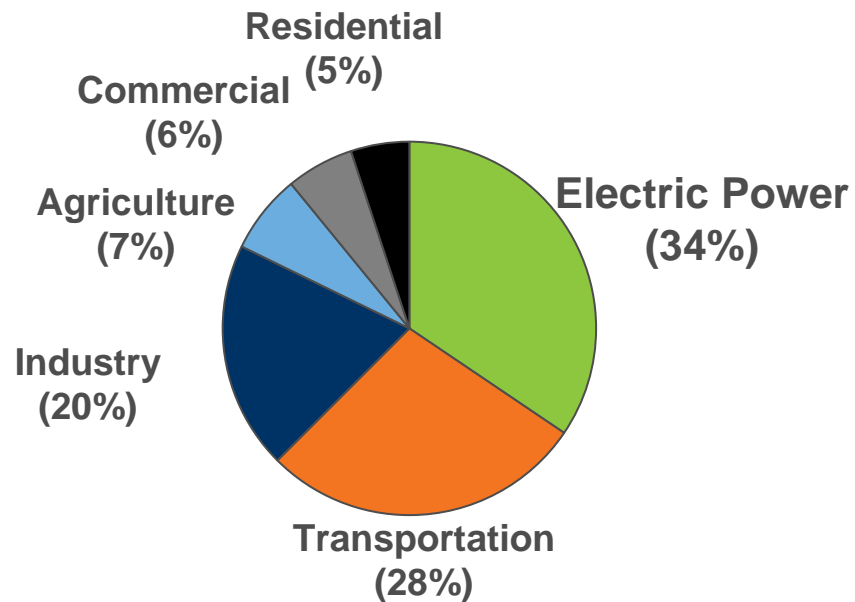
Direct Energy overview



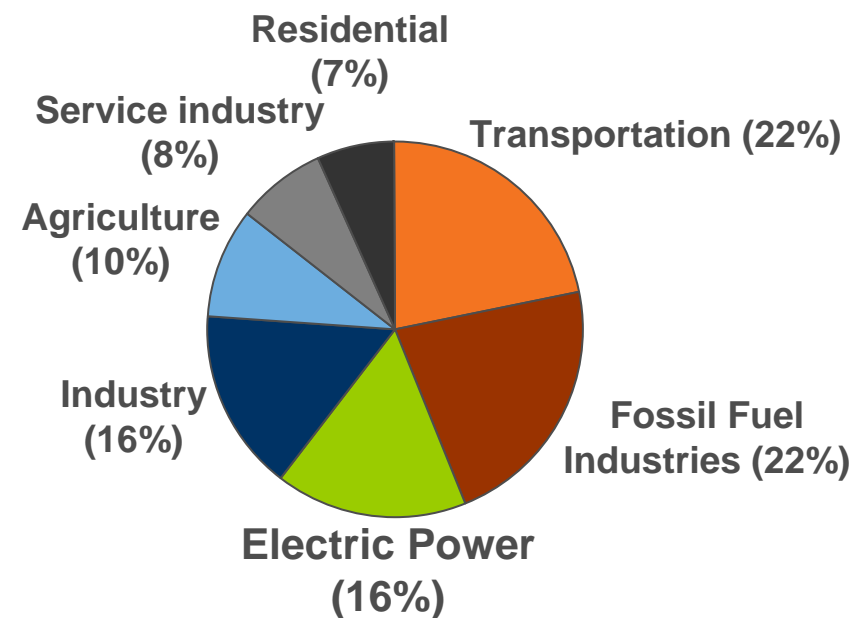
Our Vision: To be the leading integrated energy company in competitive markets across North America

North America electricity impact on GHG emissions

US GHG Emissions by Sector



Canada GHG Emissions by Sector



Our industry has enormous exposure to climate change

Sources: Environment Canada: Canada's Greenhouse Gas Emissions, November 2008. US EPA 2009 US Greenhouse Gas Inventory Report. Canadian data are 2006. US data are 2007.



Direct Energy

US generation capacity requirements, 2010 – 2030

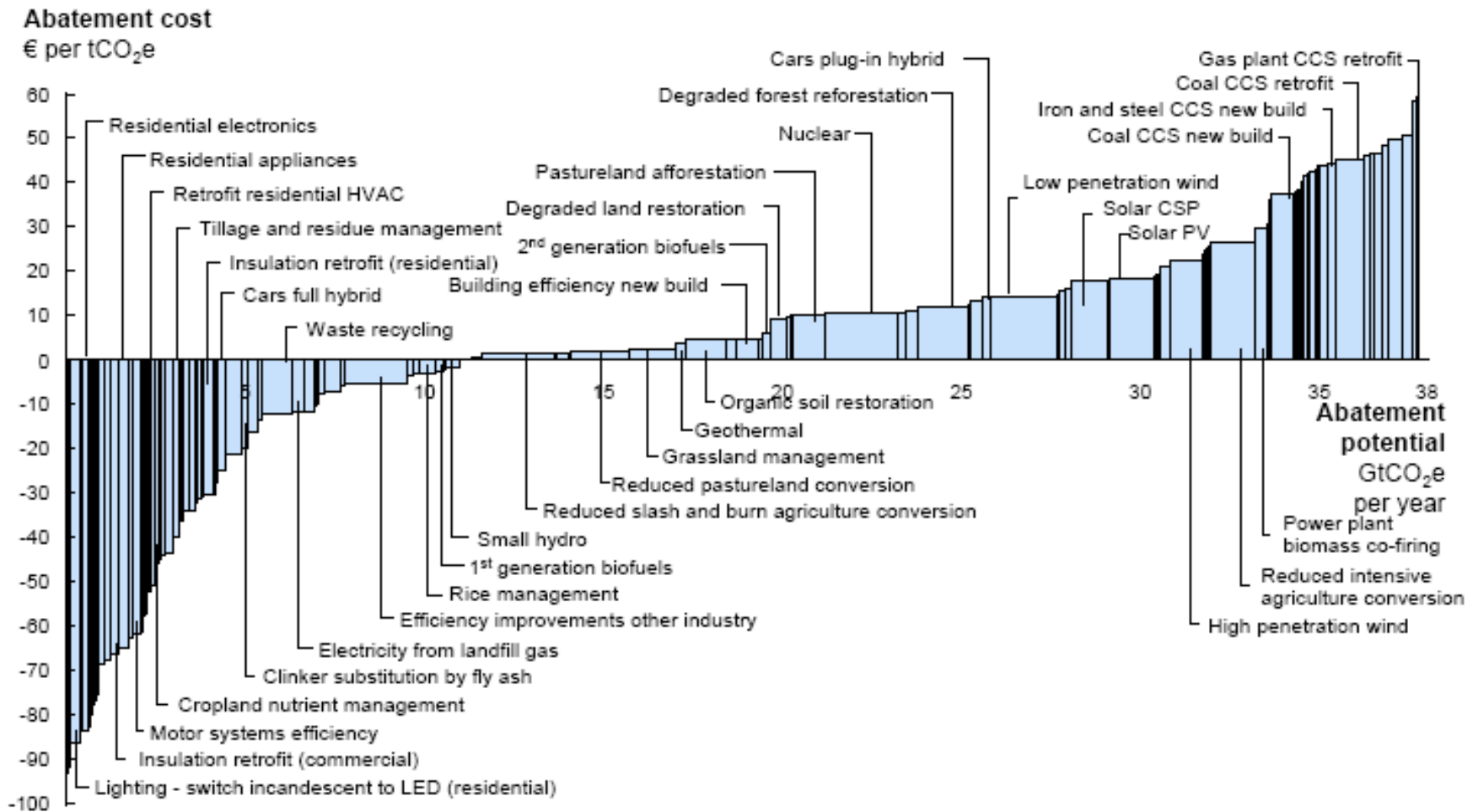
Reference Scenario	RAP Efficiency	Carbon price + RAP
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- Assumes no carbon pricing, no incremental EE/DR
- Assumes no carbon pricing, but “realistically achievable potential” for EE/DR programs
- Assumes carbon pricing, RAP EE/DR programs, EPRI PRISM generation projections

New Capacity Through 2030 (GW):	214.0	132.9	215.5
Potential EE/DR Impacts (GW):		81.1	
Renewable Capacity (GW):	38.6	39.2	103.7
Capacity Investment:	US\$697 bn	US\$590 bn	US\$1,143 bn
Total Investment:	US\$1,577 bn	US\$1,470 bn	US\$2,023 bn

Source: Brattle Group/Edison Foundation, 2009

Global GHG abatement cost curve beyond business-as-usual, 2030



Source: McKinsey & Co., 2009



Direct Energy

Incentivising investment in efficiency

Requires different approach than for large scale power

- Appropriate government leadership
 - Price on carbon – passed through to end use customers
 - Appropriate incentives for efficiency, distributed generation, AMI
 - Support for competitive market solutions

- Business leadership
 - Investments in clean technologies
 - Financing for small scale energy efficiency
 - Savings to end-users
 - Technology, behavioural changes
 - Simplicity
 - Customers want their energy managed, they don't want to manage their energy

