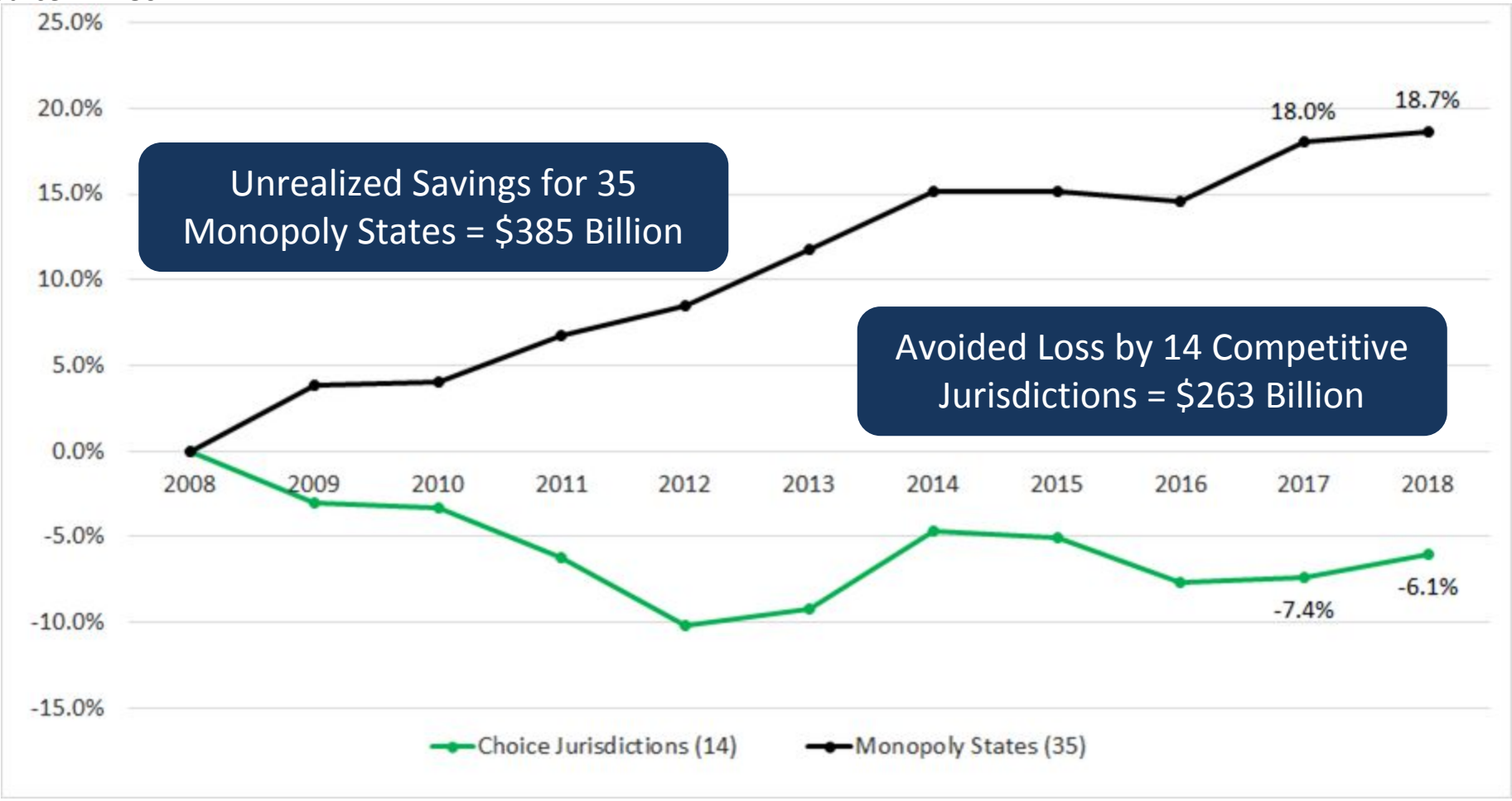


All-Sector Weighted Average Percentage Price Change, Choice vs. Monopoly States, 2008-2018

% Price Change – 24.8% Spread

Source: EIA-861M



A DECADE OF DIVERGENT PRICE PATHS

Figure 2 (page 4) of The Great Divergence (September 2018)

Updated through CY2018

U.S. Energy Information Administration (EIA) data allow for a comparison of trends in weighted average nominal prices between the monopoly group of states and the competitive jurisdictions. The All-Sector annual weighted average price in the thirty-five monopoly states was 18.7% higher in 2018 than in 2008. In contrast, the All-Sector annual weighted average price for the competitive retail markets was 6.1% lower than in 2008.

The dollar implications of such spreads in price paths are large. If 2008-2018 annual percentage price changes in the thirty-five monopoly states had tracked with percentage price changes in the fourteen competitive jurisdictions, all consumers in the monopoly states *would have saved* one-third of a trillion dollars (\$385 billion). By major customer class, the savings (in the monopoly states) would have been \$128.3 billion for Residential, \$161.4 billion for Commercial and \$97.2 billion for Industrial.*¹

*1: The flip side is that if the same price trend patterns that occurred in the monopoly group had also prevailed in the competitive jurisdictions, the hypothetical cost to electricity customers in the fourteen choice markets would have been higher by \$263.1 billion for All-Sector. By major customer class, the avoided cost in the competitive jurisdictions is \$82.7 billion for Residential, \$123.4 billion for Commercial and \$58.5 billion for Industrial.