



Affordability Through Two Lenses

FEBRUARY 5. 2026

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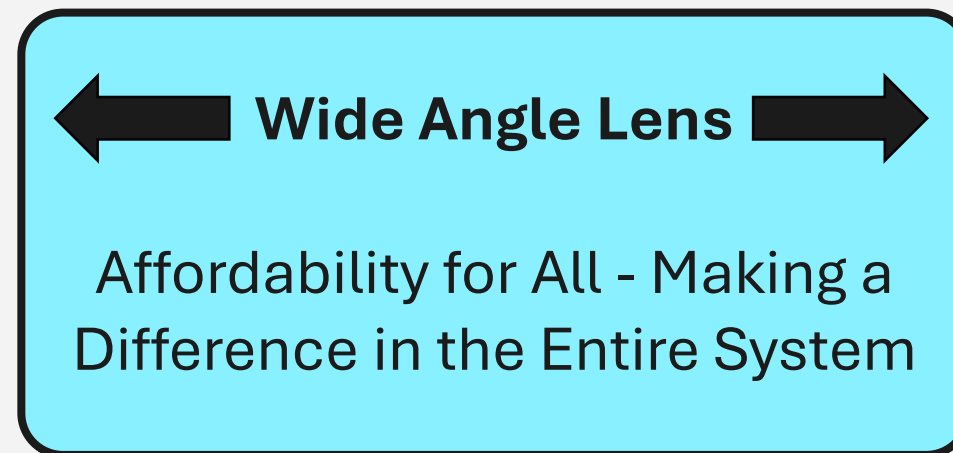
Director

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Two Lenses to Approaching Affordability



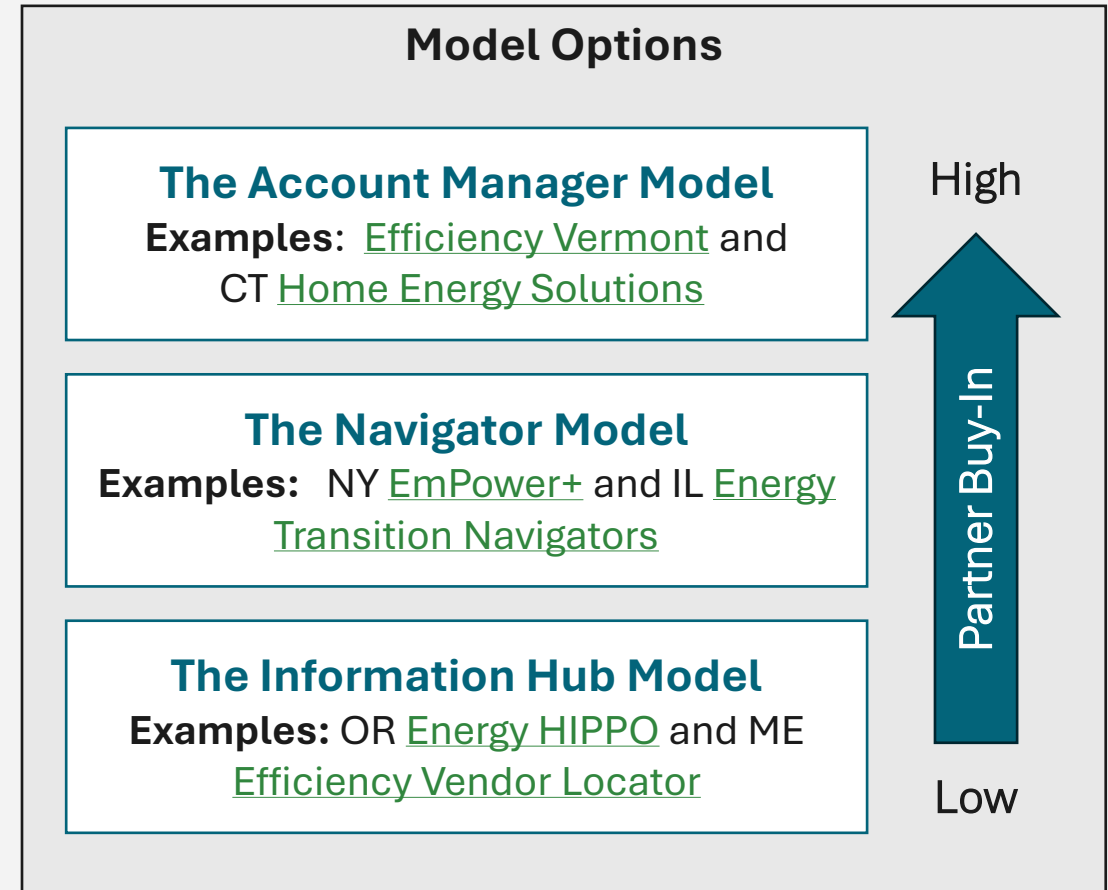
- Customer's ask: *"What **can I do** to bring my energy costs down?"*
- **Solution:** Give households easy, actionable paths and information to reduce their energy bills.



- Customer's ask: *"What is **my state doing** to bring my costs down, without any action needed from me?"*
- **Solution:** Reduce the underlying cost of the grid itself.

Customer Level Solutions: Single Front Door

- A well-designed one-stop shop or “single front door” can unite fragmented programs, enhance customer experience, and reduce friction.
- Successful implementations are defined by disciplined coordination through:
 - Shared eligibility rules
 - Data interoperability
 - Trained navigators
 - Performance management systems



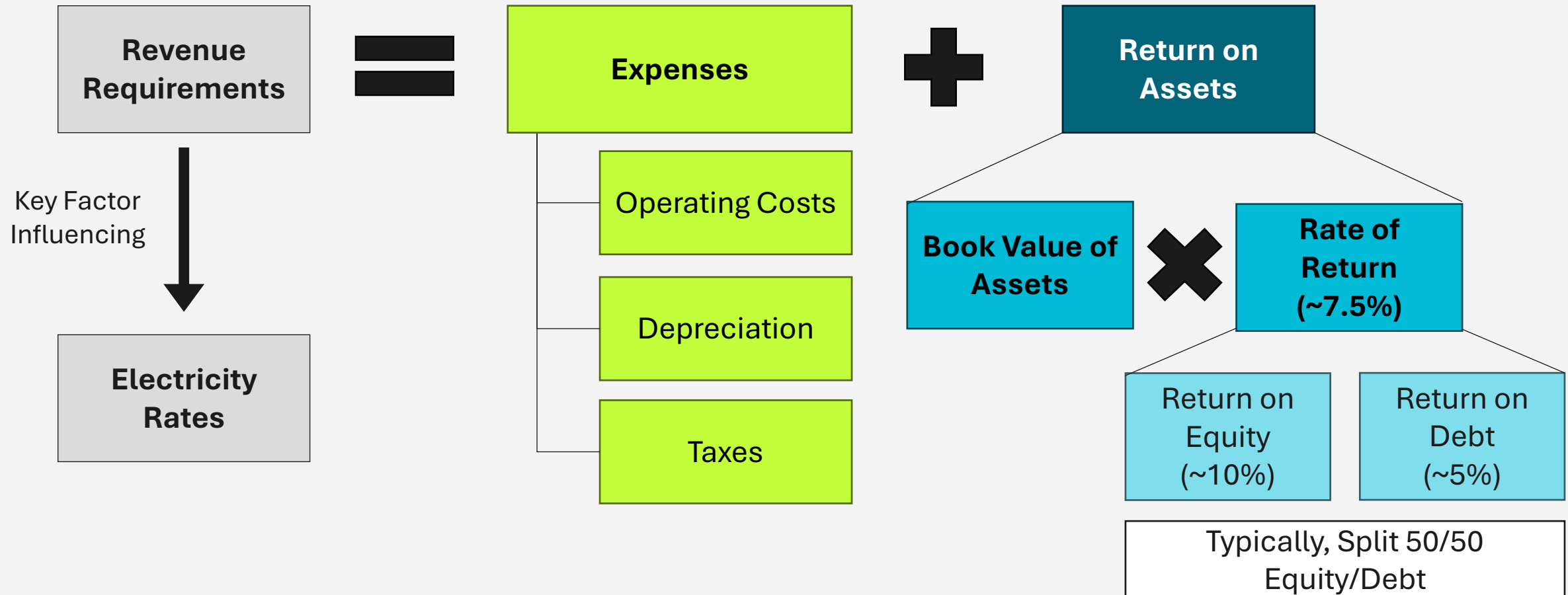
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Affordability for All: Transmission Financing/Ownership

- Transmission build out are a top driver of rate increases, large capital costs in the billions are expected
- Factoring in financing and return on the assets the total cost to consumers is significantly higher.
- **Constituents depend on policymakers to manage these costs.**



Transmission Rates 101 (Simplified)

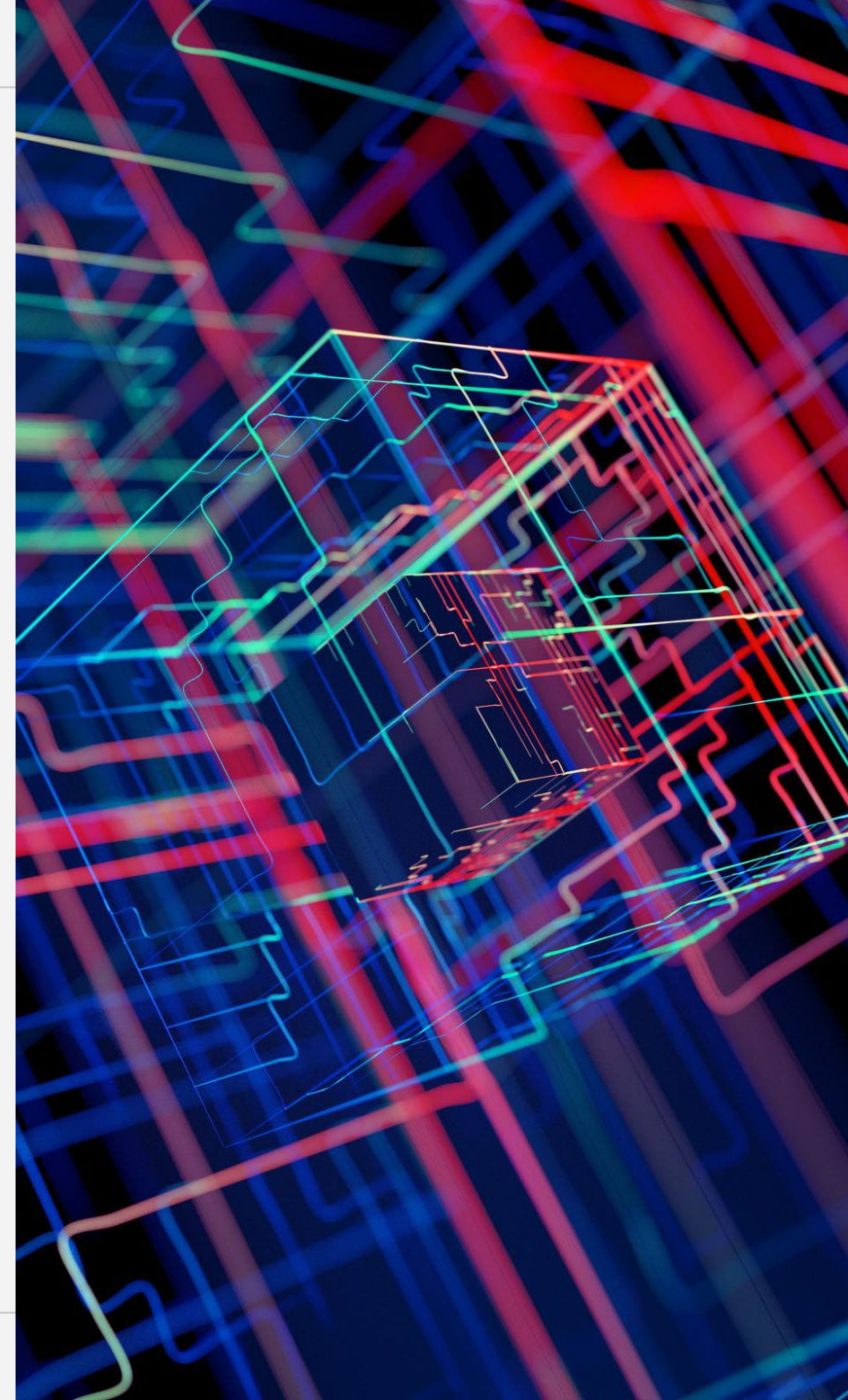


Affordability for All: What can States Do?

What?	How?
Reduce rate of return through public financing and shifts in debt/equity ratio	<ul style="list-style-type: none"> • Authorize public financing for transmission infrastructure • Consider: general obligation bonds and project revenue bonds • May need to stand up new entities with the authority to oversee state financing vehicles • Facilitate access to federal financing
Reduce tax burden through alternative ownership models	<ul style="list-style-type: none"> • Support formation of PPPs specific to transmission • May need to pass legislation and form a new entity with the authority to support transmission PPPs (or grant authority to state energy offices)
Reduce development timelines (time is money!)	<ul style="list-style-type: none"> • Support expediting permitting and review processes within your purview. • Institute construction schedule oversight and hold transmission owners accountable for construction delays.

Affordability for All: Distribution System Utilization

- Costly expansion of distribution capacity can be mitigated through increasing grid utilization
- What can states do?
 - Understand the potential for grid flex
 - Assess current market incentives and structure
 - Engage stakeholders: customers, utilities, technology providers, aggregators, etc.
 - Establish a statewide flexibility market
- Example: NY Grid of the Future



Thank You

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