Moving Forward to a Smarter Energy Reality

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- World-renowned research center in Niskayuna for 100+ years
- More than 3,000 GE Energy employees and 12,000 total GE employees
- 12 major manufacturing operations
- Executive training center in Crotonville
- Working with NY to deploy smart grid solutions
- GE Foundation donating nearly $30 million to NYC-area education initiatives

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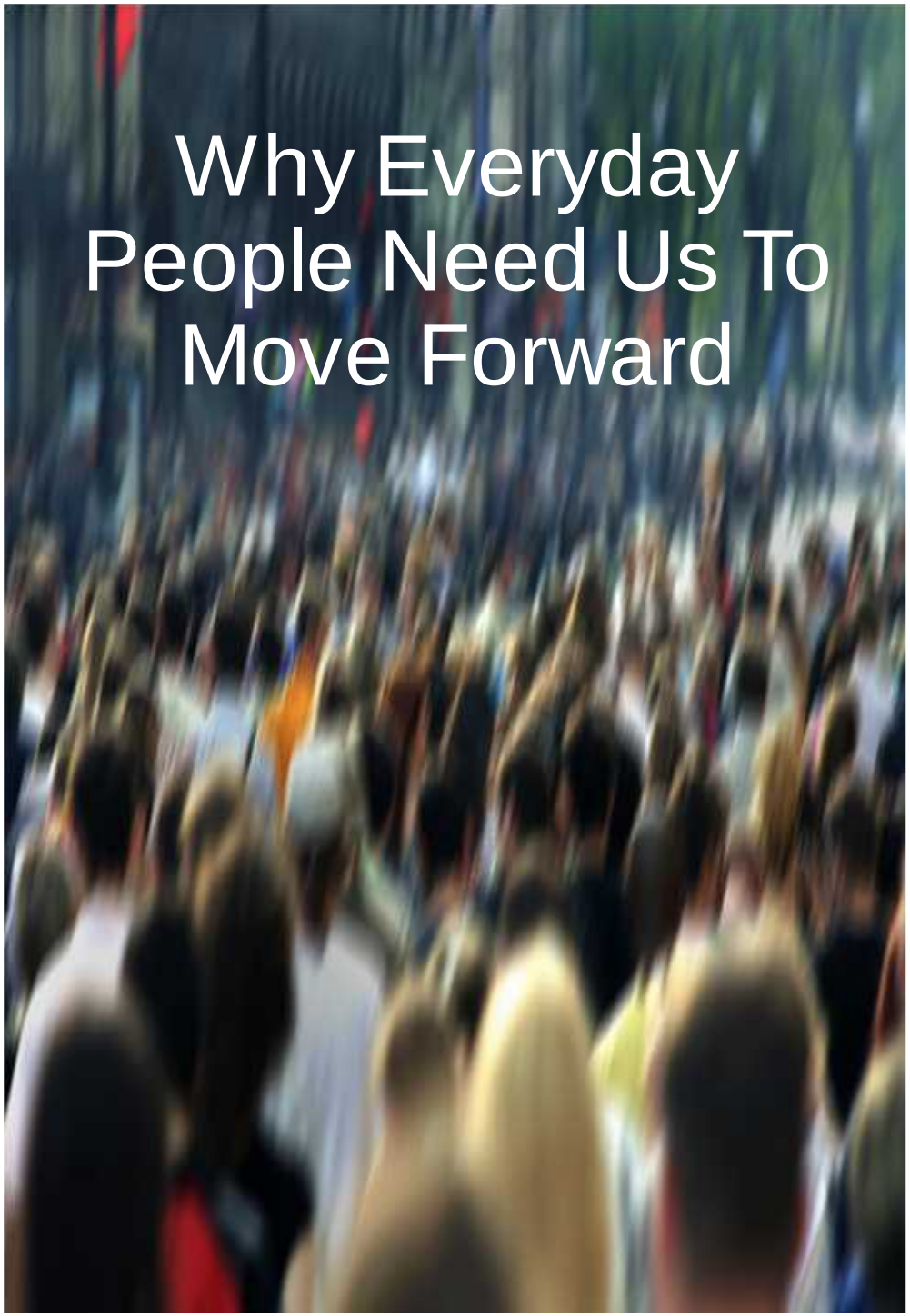

Why Everyday People Need Us To Move Forward

- **We need more power**
  - By 2030, more than 60% of the global population will live in cities
- **Power must remain affordable**
  - Double-digit price increases are already commonplace
- **Sustainability must be achieved**
  - More than 40% of our current emissions are from electric generation

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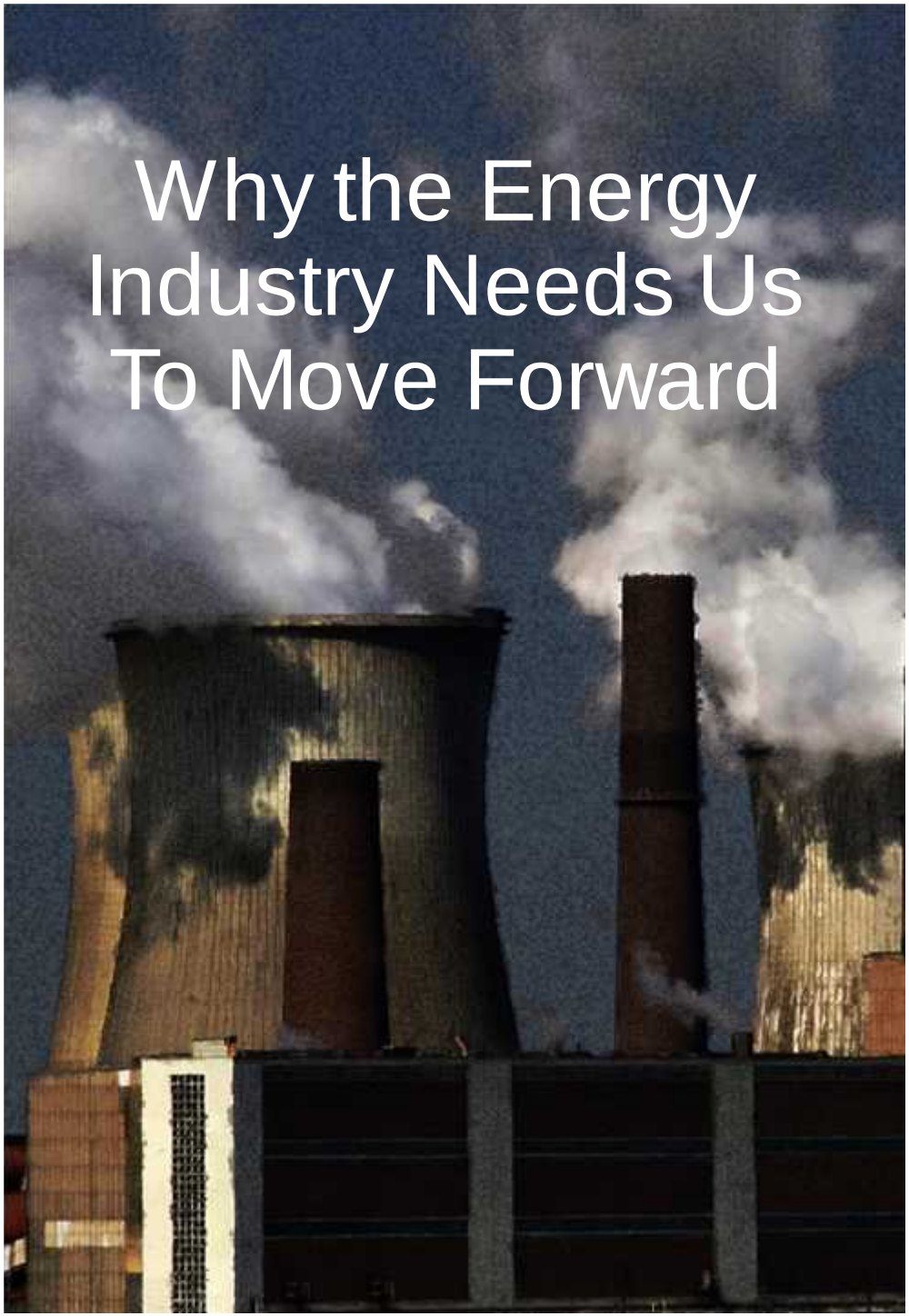

Why the Energy Industry Needs Us To Move Forward

- **Industrialized nations are living on borrowed time**
  - More than 50% of installed transformers are reaching the end of their design life
- **Emerging economies will compete for resources**
  - Per capita electricity use will soar around the globe
- **Prosperity vs sustainability**
  - Competitiveness will be determined by our ability to grow in a prosperous yet sustainable manner

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There is no “Smart Energy” switch…

to solve our power problems

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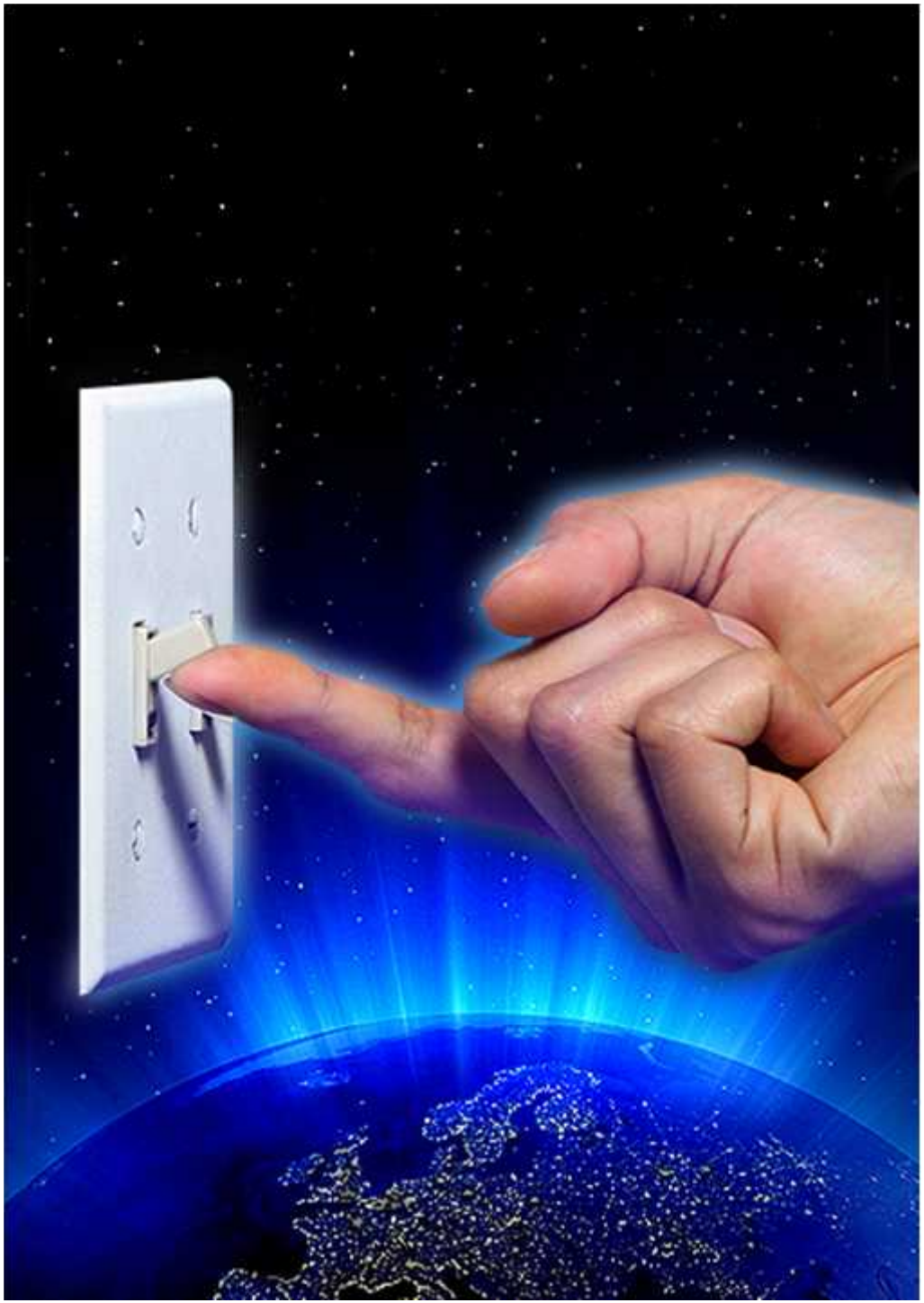

- Today's investments build the foundation for a sustainable energy future
- As our energy landscape evolves, benefits will kick in gradually
- Ratcheting up our collective Grid IQ moves our energy prospects from dim to bright

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2010 2015 2020 2025 2030

SMART GRID
Evolution

Annual Twh Reduction

Annual MMT CO_2 Reduction

O&M Savings

CMI Reductions

Value of Service Gained

New Jobs

Technology Penetrations

Smart Metering

Advanced Efficiency

Advanced Reliability

Advanced Visualization

Fully Integrated Network

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2010 2015 2020 2025 2030

SMART GRID
Evolution

16
Annual Twh Reduction

9MM
Annual MMT CO_2 Reduction

$239MM
O&M Savings*

CMI Reductions
131MM

Value of Service Gained
$2.58B

New Jobs*
6985

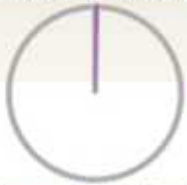
* Cumulative

Technology Penetrations

5%
Smart Metering

2%
Advanced Efficiency

1%
Advanced Reliability



.5%
Advanced Visualization

.5%
Fully Integrated Network

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2010 **2015** 2020 2025 2030

SMART GRID
Evolution

44
Annual Twh Reduction

25MM
Annual MMT CO_2 Reduction

$3.11B
O&M Savings*

CMI Reductions
333MM

Value of Service Gained
$6.59B

New Jobs*
25,935

* Cumulative

Technology Penetrations

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2010 2015 **2020** 2025 2030

SMART GRID
Evolution

85
Annual Twh Reduction

47MM
Annual MMT CO_2 Reduction

$12.1B
O&M Savings*

CMI Reductions
1.05B

Value of Service Gained
$20.8B

New Jobs*
69,912

* Cumulative

Technology Penetrations

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2010 2015 2020 **2025** 2030

SMART GRID
Evolution

146
Annual Twh Reduction

80MM
Annual MMT CO_2 Reduction

$31.1B
O&M Savings*

CMI Reductions
2.28B

Value of Service Gained
$44.5B

New Jobs*
122,830

* Cumulative

Technology Penetrations

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2010 2015 2020 2025 **2030**

SMART GRID
Evolution

204
Annual Twh Reduction

111MM
Annual MMT CO_2 Reduction

$57.0B
O&M Savings*

CMI Reductions
3.33B

Value of Service Gained
$65.7B

New Jobs*
139,700

* Cumulative

Technology Penetrations

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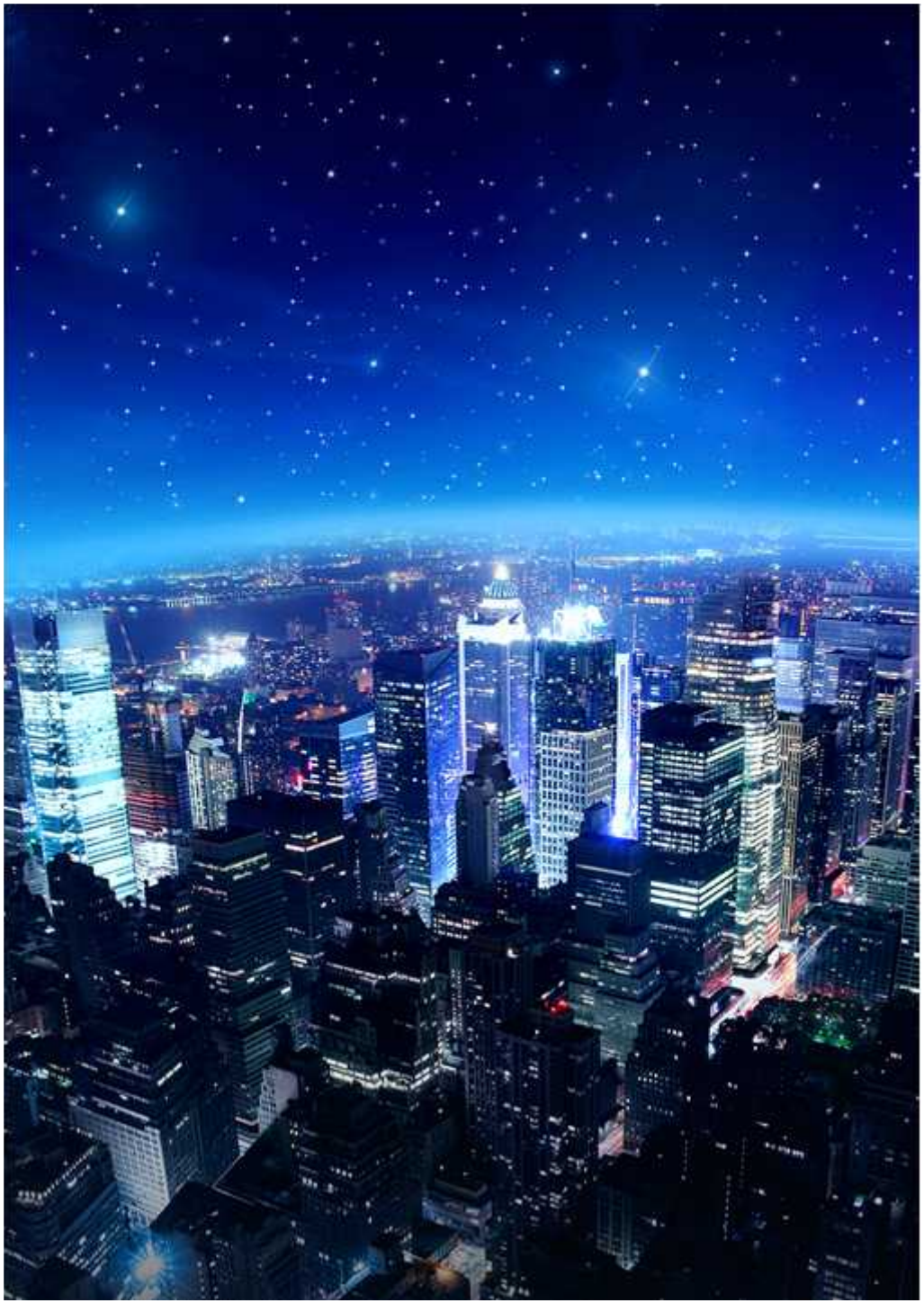
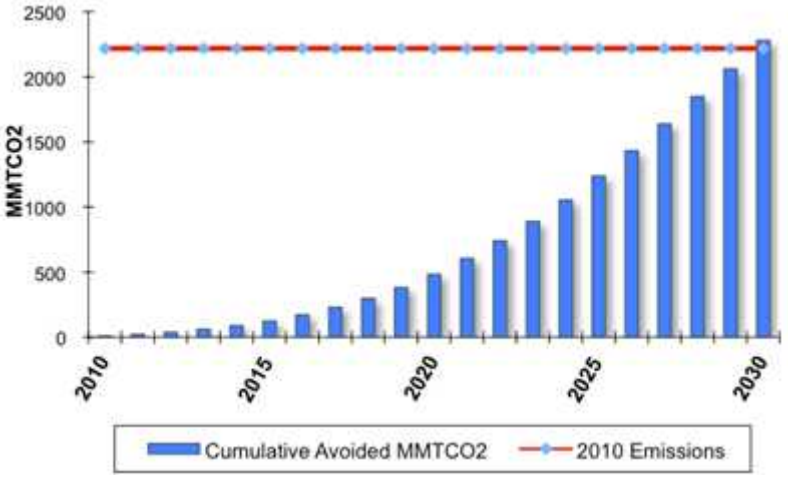


Net result:

Like 2010 never happened

If these very conservative smart grid adoption estimates prove true, the savings will exceed our total electrical consumption and electrical CO_2 output for 2010



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More Results: New lifestyle options

- 73% of cars, SUV's and pickup trucks or 84% of light duty vehicle fleet could be powered by existing electrical generation, transmission and distribution*
- Green house gas emissions … reduced 27% max
- Organic compounds down 93%, CO_2 down 98% and NOX down 31%
- Reduce oil imports by 6 million barrels per day

*Impacts assessment of plug-in hybrid vehicles on electric utilities & regional U.S. power grids Pacific Northwest National laboratory, Nov. 2007

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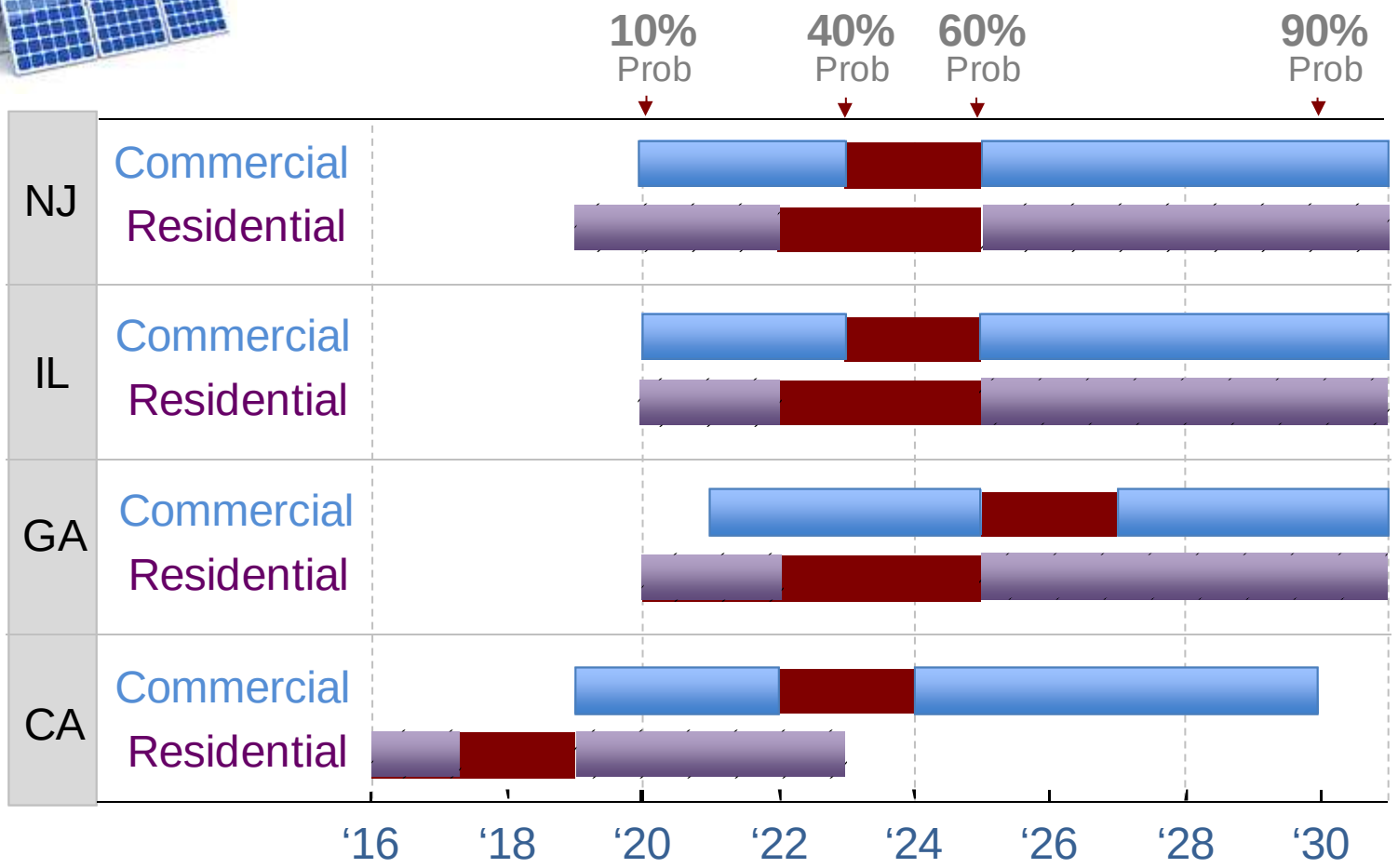
More Results: Mainstream distributed solar

PV Grid Parity is Coming … without incentives



10-25% IRR's today in AZ, CT, HI, MA, NJ, & OR with incentives

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Smart Policies Help Us Move Forward

Policymakers…establish the targets

1. Energy Efficiency resource standard
2. Peak load reduction standard
3. Clean energy standard

Regulators…provide the incentives

1. Cost recovery guidelines
2. Innovative rate designs
3. Equal treatment of demand-side resources

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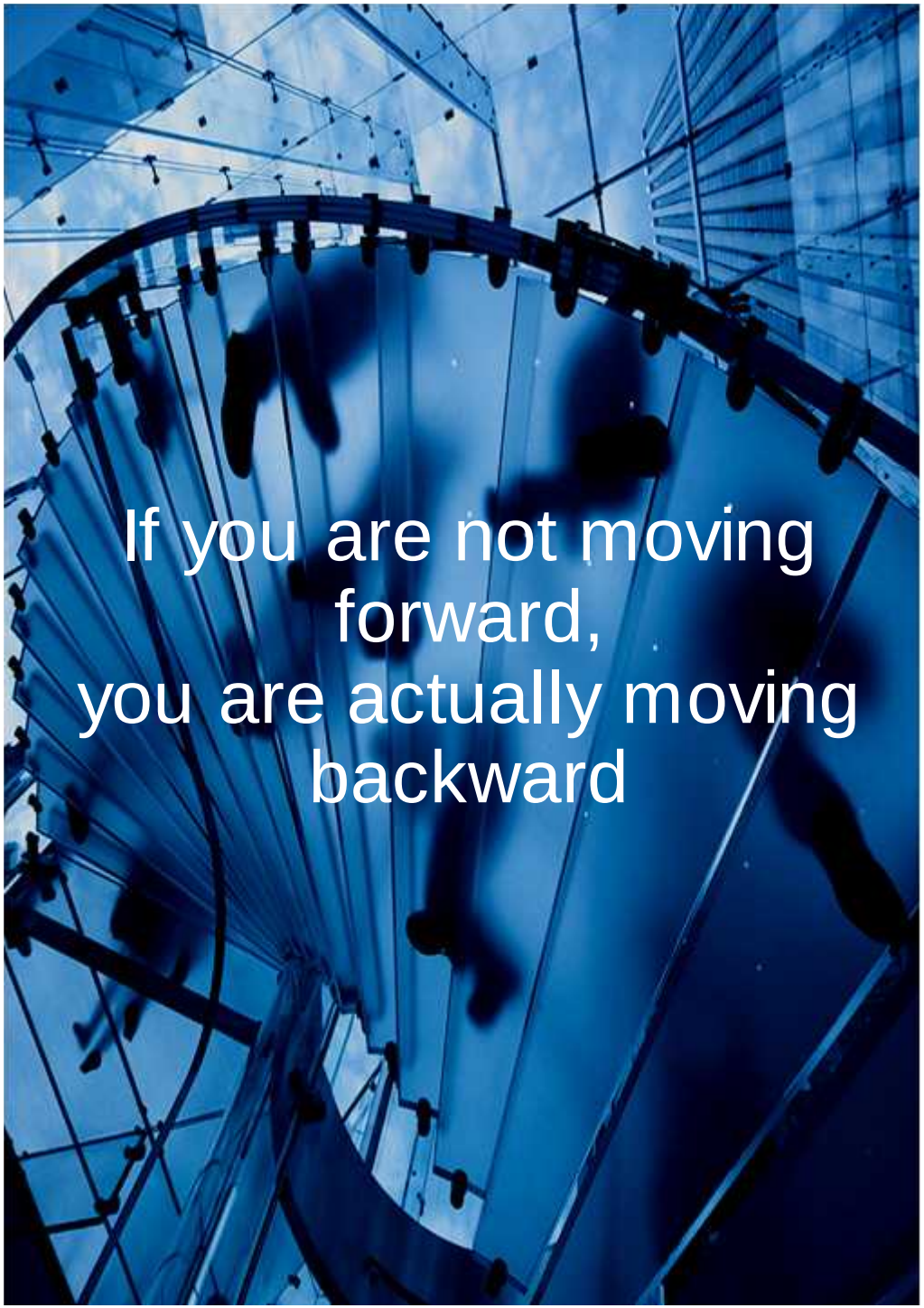

- Energy-savvy regions will leapfrog late-adopters in business, lifestyle and opportunity
- The revolution begins with the first steps of the evolution
- Smart grid technology and software foundations are scalable, adaptable and flexible for future breakthroughs
- Forward-thinking decisions today ensure a secure, robust energy tomorrow

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