

SRP POWERPARTNER™

DEMAND RESPONSE

PROGRAM

AGREE TO CURTAIL SOME OF YOUR ENERGY USE AND YOUR EFFORTS WILL BE REWARDED

SRP PowerPartner™ is a new demand response program for certain high-use SRP commercial customers who can voluntarily reduce their electricity consumption during peaks of electricity demand or high wholesale electricity prices. Participants are paid for their curtailed consumption.

WHY IS SRP OFFERING THE SRP POWERPARTNER PROGRAM?

SRP PowerPartner helps SRP to balance its electricity supply and demand requirements and to ensure reliable and affordable electricity throughout the service territory. SRP has partnered with EnerNOC, a leading provider of clean and intelligent energy solutions, to implement the demand response program at SRP customer facilities.

WHAT IS DEMAND RESPONSE?

Demand response is the voluntary reduction of electricity consumption during periods of peak electricity demand or high wholesale electricity prices. SRP PowerPartner participants earn revenue for agreeing to curtail electricity consumption when SRP calls for a demand reduction (also known as a demand response event) to lower its system peak. Aggregated demand reductions from SRP act as a clean, efficient alternative to building peaking power plants and allow SRP to utilize existing demand-side resources when needed.

IS THERE ANY COST FOR CUSTOMER PARTICIPATION?

No, there is no cost to participate in the SRP PowerPartner program.

WHO SHOULD PARTICIPATE?

Commercial customers with a billing demand greater than 100kW who can shift load during peak demand hours are good candidates for SRP PowerPartner. The program provides a supplemental revenue stream and helps business, institutional and industrial facilities reduce their energy costs and increase overall efficiency.

SRP PowerPartner also supports Arizona's energy efficiency and sustainability goals. Demand reductions are clean, emissions-free energy that is conserved rather than consumed, and when aggregated across SRP's territory, substantially lower overall demand and prevent the need to dispatch more costly peaking power.

HOW DOES THE PROGRAM WORK?

SRP and EnerNOC work together to offer the demand response program. EnerNOC manages program implementation and execution, allowing SRP system operators to call for demand response resources when needed.

1. EnerNOC works with you to identify curtailable electricity load and determine the appropriate curtailment strategy that meets your specific business needs.
2. EnerNOC installs a hardware device at your facility to monitor your electric consumption levels and establish communication with EnerNOC's Network Operations Center.
3. EnerNOC measures and verifies performance and ensures that operational conditions are satisfactory during demand response events.
4. EnerNOC enrolls your facility in the demand response program and makes payment directly to you. The amount that you commit to reduce can be adjusted as your electric loads change and as you gain experience in the program.

WHAT TYPES OF LOADS ARE CURTAILABLE?

Nearly anything that consumes electricity is curtailable. Specific examples include lighting, HVAC, refrigeration, motors (particularly those equipped with variable frequency drives), and some types of manufacturing equipment (e.g., rectifiers, shredders). Our customers find that many energy-intensive processes can simply be shifted to another time to facilitate event participation. You may also be able to use your backup generator(s) when you participate.

Find out more on the next page.



HOW IS CURTAILMENT MANAGED?

Your curtailment strategy will depend on your preferences and existing energy management infrastructure. EnerNOC can integrate with existing energy management systems or install their own technology to curtail load automatically and remotely from EnerNOC's Network Operations Center.

WHAT HAPPENS WHEN A DEMAND RESPONSE EVENT IS CALLED?

When SRP experiences high peak demand and anticipates the need for demand-side resources, SRP will call a demand response program event. Once an event is called, EnerNOC will send advance notification via e-mail, phone, pager or fax informing you of the demand response event and automatically initiate a pre-approved curtailment protocol at your facility. Minimal action is required on your part; however, you maintain the option to withdraw from the event if operational requirements prevent participation. Prior to, during, and immediately after an event, EnerNOC's 24/7/365 Network Operations Center remains in close contact with your facility and is always available to answer any questions that you may have.

HOW OFTEN WILL AN EVENT BE CALLED?

A maximum of 1 event can be called per day and no more than 3 events in a seven-day period. Also a maximum of 60 hours and 15 events may be called each year. Events will occur on weekdays between noon and 8 p.m. (June 1 through September 30) and 5 a.m. to 9 p.m. in all other months.

HOW LONG DO THEY LAST?

Events will last for a minimum of 1 hour and a maximum of 4 hours.

ARE THERE PENALTIES IF A FACILITY UNDERPERFORMS DURING AN EVENT?

No. EnerNOC assumes the risk of non-performance and bears the cost if penalties are incurred. If your facility underperforms your payment for the month may be reduced, but you will never have to pay a penalty.



WHAT ARE THE BENEFITS OF PARTICIPATION?

➤ Supplemental Revenue

SRP PowerPartner provides revenue that goes directly to your bottom line. Payments depend on the electricity demand your facility can reduce, and you will receive additional payments for your performance during actual events. Both payment streams will be defined prior to enrollment, and you will receive a quarterly check for your participation.

➤ Energy Efficiency

Effective energy management enables end-users to optimize their energy consumption and permanently reduce demand. PowerTrak®, EnerNOC's web-based energy management system, provides easy-to-use, near real-time information on your facility's energy consumption. Through this software, you can identify additional savings opportunities and increase equipment reliability.

➤ Social and Environmental Responsibility

Demand response is a clean, efficient alternative to peaking power plants. By utilizing existing demand-side resources and minimizing the need for additional generation, SRP PowerPartner effectively reduces greenhouse gas emissions and air pollution. You can demonstrate social and environmental responsibility and enhance your reputation as a good corporate citizen by helping to maintain reliable and affordable electricity.

ABOUT ENERNOC

Founded in 2001, EnerNOC, Inc. is a leading developer and provider of clean and intelligent energy solutions to commercial, institutional, and industrial markets. Their technology-enabled demand response and energy management solutions help optimize the balance of electric supply and demand. EnerNOC serves hundreds of businesses – just like yours – across many different industries: technology, commercial real estate, light industrial, food processing, hospitality, government, healthcare, education, and more.

To find out more, contact your account manager or call (602) 236-2080.