



Real Time Demand Response Program



What is the Real Time Demand Response Program?

The Real Time Demand Response Program is a reliability-based program sponsored by ISO New England that utilizes existing resources to meet regional supply requirements. Program participants receive recurring capacity payments for agreeing to reduce electricity consumption during system emergencies, regardless of whether they are ever called to respond. If the load is called, participants receive additional payments for the electricity reduced during the event and benefit from lower energy costs.

What is ISO New England?

ISO New England (ISO-NE) is a not-for-profit corporation responsible for the day-to-day reliable operation of New England's bulk power generation and transmission system, oversight and fair administration of the region's wholesale electricity markets, and management of a comprehensive regional bulk power system planning process.

Is there any cost to participate?

Program participation costs can vary depending on the implementation strategy. However, **most often there is NO cost to participate**. When a customer wants a customized solution to meet specific goals, there is typically an investment required that averages a simple payback time of less than six months. Additionally, if an investment is required, EnerNOC can finance this investment or earn back the investment from the first few months of program payments. If funding is available, EnerNOC works to secure and maximize project reimbursements on your behalf.

How do I participate?

EnerNOC manages program participation from end to end. EnerNOC works with your organization to identify available loads, enable the use of your backup generator, and determine the appropriate curtailment strategy that meets your specific business needs. Next, EnerNOC measures and verifies performance and ensures that operational conditions are satisfactory during demand response events. Then, EnerNOC enrolls the capacity in the Real Time Demand Response Program. The capacity enrolled can be adjusted on a monthly basis.

What types of loads are curtailable?

Any non-essential load is curtailable. Specific examples include lighting, HVAC, escalator/elevators, pumps, and some types of manufacturing equipment (e.g. rectifiers, shredders). Backup generator use is also encouraged, and EnerNOC handles all generator permitting and management.

How is curtailment managed?

The curtailment process will depend on your energy management infrastructure. EnerNOC can integrate with existing energy management systems or install our own technology to curtail load automatically and remotely from our Network Operations Center. Alternatively, EnerNOC can notify specified personnel via email, telephone, pager, or fax to support manual curtailment.

What happens if an event is called?

When ISO-NE calls an event, you will receive a 30-minute advanced notice from EnerNOC that your demand response capacity is needed. EnerNOC's 24/7/365 Network Operations Center remains in close contact with your facility prior to, during, and immediately after the event and is always available to answer any questions that you may have.

How often will an event be called? How long do they last?

Events may only be called between 7:00 a.m. and 6:00 p.m. Monday through Friday, excluding national holidays. There is no limit to how often events may be called, and at least one event or test is guaranteed each year. In the past four years, four events have been called (once each in 2003 and 2005 and twice in 2006), plus one test in 2004. It is important to note that Real Time Demand Response resources act as a "last line of defense" and are called when blackouts are imminent.

Are there consequences for non-performance?

No. EnerNOC manages *all* risks associated with enrollment and nominated curtailment levels. No penalties are imposed on you. EnerNOC assumes all risk of your non-performance and bears the cost if penalties are incurred.

What are the economic benefits of participation?

The Real Time Demand Response Program provides free cash flow every month, regardless of whether your capacity is ever required. Capacity payments depend on the electrical demand your business can reduce and how EnerNOC will work with you to execute the response (automatic/remote versus manual/local). You will receive additional energy payments during actual events. Both payment streams will be defined prior to enrollment, and you will receive a quarterly check for your participation.

What are the other benefits of participating?

- **Increased Grid Reliability**
Participating in the Real Time Demand Response Program helps ensure that your business keeps operating and the lights in your community stay on.
- **Enhanced Community Goodwill**
Power shortages are highly visible events that command the attention of New England residents and state and local governments. Businesses supporting grid reliability will enhance their reputations as good corporate citizens.
- **Enhanced Building System Reliability and Business Continuity**
Access to EnerNOC expertise and information such as advanced notice of potential blackouts will help your business establish better energy contingency planning, protect mission critical systems from power quality and availability issues, and provide a greater level of power reliability for your technology and infrastructure systems.
- **Build Expertise in Real-Time Energy Markets**
New technologies, market deregulation, and environmental concerns are driving a transition to real-time energy markets in which electricity end-users react instantaneously to information on price, power reliability, and the environment. The Real Time Demand Response Program provides your organization with a cash-flow positive, no-risk program to build expertise in operations and energy management in the dynamic energy markets that are now evolving.
- **Comprehensive Energy Management Information**
EnerNOC provides a web-based energy management system, PowerTrak®, that provides easy-to-use energy usage reports, analysis, and alarms by site and in aggregate. Through a secure energy portal, EnerNOC collaborates with our customers to identify additional savings opportunities and increase equipment reliability. This system would otherwise cost tens of thousands of dollars to integrate and hundreds per month to maintain, but is most often made available free of charge to you through this program.
- **Environmental Benefits**
Reducing demand reduces air pollution, and EPA studies show that demand response programs can reduce air emissions, even when diesel-fueled backup generators are included in system capacity.

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. EnerNOC has over 886 MW of demand response under contract, including more than 756 MW of dedicated demand response resources. EnerNOC serves multiple industries: food sales and storage, light industrial, commercial real estate, telecommunications and data, hospitality, government, education, healthcare, and more. Our numerous blue-chip customers include Stop & Shop, IBM, Estee Lauder, Pitney Bowes, Adobe, Massachusetts Institute of Technology, and SBC Communications. EnerNOC's management team combines over 150 years of entrepreneurial and corporate experience with expertise in demand response, distributed generation, energy management, engineering, embedded systems, and information technology.

EnerNOC is the first registered Demand Response Provider (DRP) in New England and is an ISO New England certified Internet-Based Communication System (IBCS) Provider.



Contact EnerNOC for more information:

(617) 224.9900
EnerNOC, Inc.
75 Federal Street
Suite 300
Boston, MA 02110
www.enernoc.com