



PNM Peak Saver

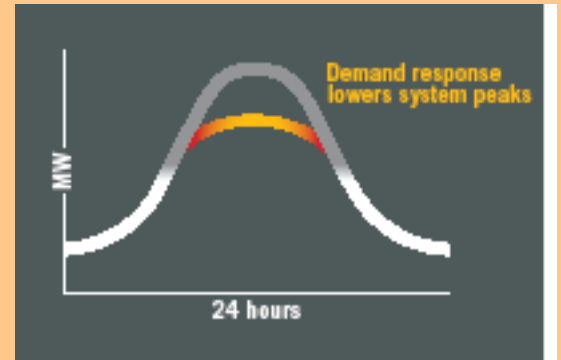


What is PNM Peak Saver?

PNM Peak Saver is a demand response program that helps PNM balance its electricity supply and demand requirements and ensure reliable electricity throughout its territory. PNM has contracted with EnerNOC, Inc., a leading provider of clean and intelligent energy solutions, to implement the program at PNM electric customer facilities.

What is demand response?

Demand response is the voluntary reduction of electricity consumption during periods of peak electricity demand or high electricity prices. Program participants earn revenue for agreeing to curtail electricity consumption when PNM calls for a demand reduction (also known as a demand response event) to lower its system peak. If system conditions warrant a demand response event, participants earn additional payments for the amount of electricity they actually curtail during the event. Aggregated demand reductions from PNM Peak Saver act as a clean, efficient alternative to peaking power plants and allow PNM to utilize existing demand-side resources when needed.



Is there any cost to participate?

No, there is no cost to participate in PNM Peak Saver; the program is funded by the electric energy efficiency fee on PNM electric customer bills.

Why should I participate?

PNM Peak Saver helps business, institutional, and industrial facilities reduce their energy costs and increase overall efficiency. Participating facilities receive financial incentives for conserving energy during periods of high system peak demand. PNM Peak Saver also supports New Mexico's energy efficiency and sustainability goals. Demand reductions are clean, emissions-free "negawatts"—energy that is conserved rather than consumed—that, when aggregated across PNM's territory, substantially lower overall demand and prevent the need to dispatch costly peaking power.

How do I participate?

PNM and EnerNOC work together to offer PNM Peak Saver. EnerNOC manages program implementation and execution, allowing PNM system operators to call 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. Your peak demand must meet or exceed 150 kW to participate in PNM Peak Saver.
- 2 EnerNOC measures and verifies performance and ensures that operational conditions are satisfactory during demand response events.
- 3 EnerNOC enrolls your facility in PNM Peak Saver!

What types of loads are curtailable?

Any non-essential electricity load 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).

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.

What happens if a demand response event is called?

When PNM experiences high peak demand and anticipates the need for demand-side resources, EnerNOC will send a 10 minute notification via email, phone, pager, or fax informing you of the demand response event and automatically initiate a pre-approved curtailment protocol at your facility. **No action is required, and you maintain the option to withdraw from the event if operational requirements prevent participation.** 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 on business days, between 8:00 a.m. and 8:00 p.m., June through September. Events last no longer than six hours, and PNM is limited to 100 demand response event hours per year.

Are there consequences if a facility underperforms during an event?

No. EnerNOC assumes **all** risk of non-performance and bears the cost if penalties are incurred. If your facility underperforms, EnerNOC works with you to identify and address the cause. No penalties are imposed on you.

What are the benefits of participation?

• Supplemental Revenue

PNM Peak Saver provides free cash flow for your facility. 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.

• 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, PNM Peak Saver effectively reduces greenhouse gas emissions and air pollution.

• Comprehensive Energy Management Information

Effective energy management lets you optimize your energy consumption and permanently reduce demand. PowerTrak®, EnerNOC's web-based energy management system, provides easy-to-use energy usage reports and data analyses by site and in aggregate.

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. Our numerous blue-chip customers include Adobe, AT&T, Boehringer Ingelheim, Bulova, Cargill, Cascades, Domino's Pizza, ESPN, General Electric, General Motors, Hilton Hotels, Konica Minolta, Marriott Hotels, Massachusetts Institute of Technology, Pfizer, and Whole Foods.

Customers who choose to participate in this program are not obligated to purchase any additional services offered by EnerNOC, Inc.

