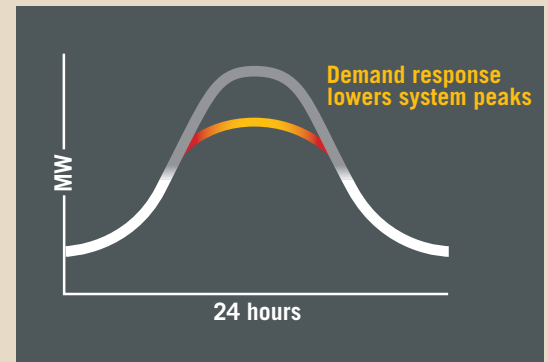


### What is the Emergency Interruptible Load Service?

The Emergency Interruptible Load Service (EILS) is a demand response program designed to help Texas balance its electricity supply and demand requirements and prevent blackouts from occurring. Program participants receive payments for agreeing to reduce electricity consumption during system emergencies, regardless of whether they are ever called to respond. EILS is sponsored by the Electric Reliability Council of Texas (ERCOT).

### What is demand response?

Demand response is the voluntary reduction of electric *demand* at the end-use customer level in *response* to system emergencies. EILS utilizes existing demand-side resources at commercial, institutional, and industrial facilities when high peak demand threatens grid stability, which helps ensure a reliable supply of electricity that meets Texas's electric demand.



### What is the Electric Reliability Council of Texas?

ERCOT is a not-for-profit corporation responsible for the day-to-day reliable operation of Texas'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. ERCOT's mission is to enable fair and efficient market-driven solutions to meet customers' electric service needs.

### Why should I participate?

EILS helps commercial, institutional, and industrial facilities reduce their energy costs and increase overall efficiency. Participating facilities receive financial incentives for curtailing energy during system emergencies.

### Is there any cost to participate?

No, there is no cost to participate in EILS with EnerNOC.

### How do I participate?

EnerNOC manages program participation from end to end and works with your facility to create a customized curtailment strategy. All participating facilities must have an Interval Data Recorder (IDR) meter. EnerNOC can help you determine whether you have an IDR meter.

- 1 EnerNOC's team of energy experts helps your facility identify curtailable load, enable the use of your permitted backup generator (if applicable), and determine the appropriate curtailment strategy that meets your specific business needs.
- 2 EnerNOC measures and verifies performance and ensures that operational conditions are satisfactory during demand response events.
- 3 EnerNOC enrolls your facility in EILS.

### What types of loads are curtailable?

Any non-essential load is curtailable. Specific examples include lighting, HVAC, refrigeration, variable frequency drives, and some types of manufacturing equipment (e.g. rectifiers, shredders). Permitted backup generator use is also encouraged.

## 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 and manage load from our Network Operations Center.

## What happens if an event is called?

When ERCOT experiences a system emergency, EnerNOC will send a ten-minute notification and initiate curtailment at your facility. 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?

ERCOT may call only two events in a four month period when blackouts are imminent.

## Are there consequences for non-performance?

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. However, repeated underperformance may disqualify your facility from program participation.

## What are the benefits of participation?

- **Continuous Revenue Stream**

EILS provides free cash flow, regardless of whether your capacity is ever required. Payments depend on the electric demand your business can reduce and your performance during actual events. Payment streams will be defined prior to enrollment, and you will receive a regular check for your participation. Contact us today for a free estimate of your revenue potential in EILS!

- **Operational Reliability**

Participating in EILS provides you with advanced notification of blackouts and allows you to proactively prepare for an outage, protect your facility, and maintain business operations.

- **Social and Environmental Responsibility**

Demand response is a clean, efficient alternative to peaking plants. By minimizing the need for additional generation, demand response effectively reduces greenhouse gas emissions and air pollution. Facilities that help keep the lights on in their communities enhance their reputations as good corporate citizens.

- **Comprehensive Energy Management Information**

Effective energy management enables end-users to optimize their energy consumption and permanently reduce demand. EnerNOC's web-based energy management system, PowerTrak®, provides easy-to-use energy usage reports and data analyses by site and in aggregate. EnerNOC collaborates with our customers to identify additional savings opportunities.

## About EnerNOC

EnerNOC, Inc. is a leading developer and provider of clean and intelligent energy solutions to commercial, institutional, and industrial markets. Our 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—from across many different industries: data centers and server farms, education, food sales and storage, healthcare, light and heavy industrial, telecommunications, and more.