



What is the Negawatt Network™?

The Negawatt Network is a demand response program designed to help Ontario balance its electricity supply and demand requirements and maintain reliable and affordable electricity for end-use customers.. EnerNOC provides the Negawatt Network through its contract with the Ontario Power Authority, the nonprofit corporation charged by the government of Ontario to manage Ontario's electricity markets and ensure reliable electricity throughout the region.

What is demand response?

Demand response is the voluntary reduction of electric demand at the end-use customer level in response to grid instability or high wholesale electricity prices; demand response is not a permanent energy reduction. EnerNOC's Negawatt Network acts as a clean, efficient alternative to peaking plants by utilizing existing demand-side resources at commercial, institutional, and industrial facilities when high peak demand threatens grid stability. Ontario needs your facility's participation in the Negawatt Network, as electricity reserves will be below necessary levels in the event of extreme weather. The Negawatt Network will help to ensure a reliable supply of electricity that will meet the region's growing electric demand.

Why should I participate?

The Negawatt Network helps commercial, institutional, and industrial facilities reduce their energy costs and increase overall efficiency. Participating facilities receive financial incentives for curtailing energy consumption. The Negawatt Network also supports Ontario's energy efficiency and sustainability goals. Demand reductions are clean, emissions-free "negawatts"—energy that is curtailed rather than consumed—that, when aggregated across Ontario, substantially lower overall demand and prevent the need to dispatch costly peaking power.

Is there any cost to participate?

No, there is no cost to participate in the Negawatt Network.

How do I participate? Will demand response affect my operations?

EnerNOC manages program participation from end to end and works with your facility to create a customized program that minimizes impact on your operations.

- 1 EnerNOC's team of energy experts helps your facility identify non-critical, curtailable load and determine the appropriate curtailment strategy that meets your specific business needs.
- 2 EnerNOC measures and verifies performance and ensures that satisfactory operational conditions are maintained during demand response events.
- 3 EnerNOC enrolls your facility in the Negawatt Network.

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).

How is curtailment managed?

The curtailment process depends 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. EnerNOC can also notify specified personnel via email, telephone, pager, or fax to support manual curtailment.

What happens if an event is called?

When reserves of electricity are projected to be inadequate, EnerNOC will send either a day-ahead or morning-of notification requesting you to reserve your demand response capacity, followed by a firm confirmation 2.5 hours prior to the event. 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, and the event window varies by season. From June through September, events may occur between 12:00 p.m. and 10:00 p.m., and from October through May, events may occur between 4:00 p.m. and 10:00 p.m. Events are limited to a maximum of four hours, and only three consecutive events may be called in a week. Depending on the program options you select, participants can expect up to 100 hours of demand response per year.

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 significant underperformance may disqualify your facility from program participation.

What are the benefits of participation?

- **Continuous Revenue Stream**

The Negawatt Network provides free cash flow. Payments depend on the electric demand your facility can reduce, and your specific curtailment strategy, and you will receive additional payments for your performance during actual events. A facility with 1 MW of demand response can expect to earn \$80,000 per year.

- **Operational Reliability**

Participating in EnerNOC's Negawatt Network provides you with advanced notification of potential blackouts and allows you to proactively prepare for an outage and protect your facility while maintaining 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 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

Founded in 2001, EnerNOC, Inc. is a leading developer and provider of clean and intelligent energy solutions to commercial, institutional, and industrial markets. EnerNOC's serves multiple industries: food sales and storage, industrial, hospitality, education, healthcare, and more. 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.



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