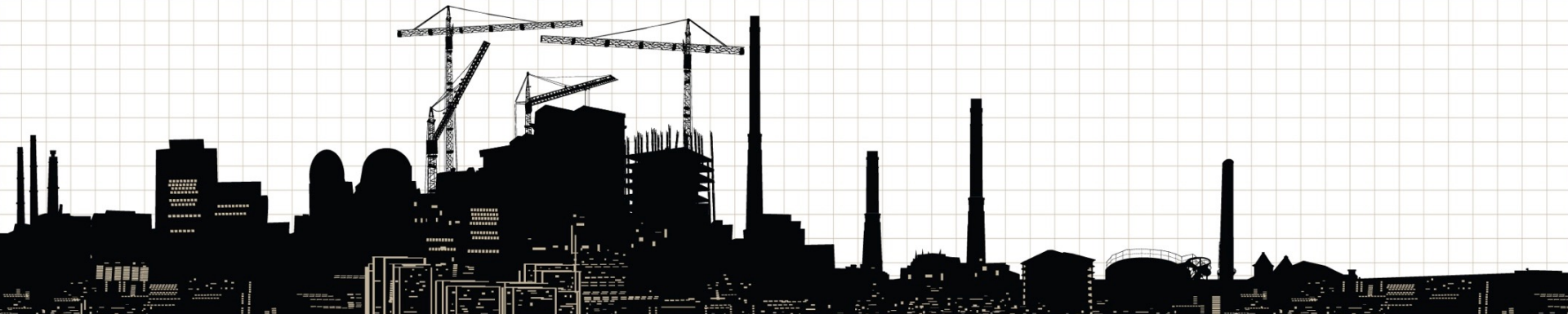


CPower

DEMAND RESPONSE IN TEXAS

THE EMERGENCY RESPONSE SERVICE (ERS)

LOAD RESOURCE (LR)



How many power outages does your organization endure in a year?

Four? Maybe five? Maybe even more?

Each time the power goes out, your business presses on to meet the needs of your customers.

What if you could be notified when the grid is about to suffer a power outage?

Better yet, what if your organization could get paid just for being available to reduce load to prevent an outage.

Even better than that... what if you could get paid to use less energy during the few times each year when the grid is stressed?

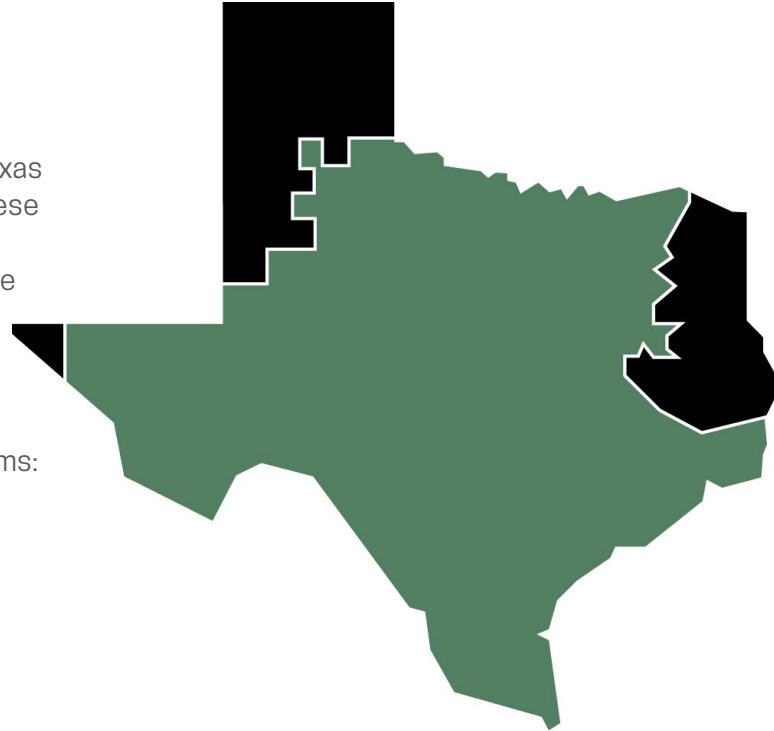
With demand response, you can.

CPOWER CAN HELP YOU MAKE IT HAPPEN.

Sometimes, the demand for electricity in Texas outpaces the grid's ability to supply it. In these cases, ERCOT has a choice: generate new electricity or curtail enough electricity usage to offset the imbalance.

Generating new electricity is costly, both to the environment and Texas rate payers.

ERCOT offers two demand response programs: The Emergency Response Service (ERS) and Load Resource (LR).



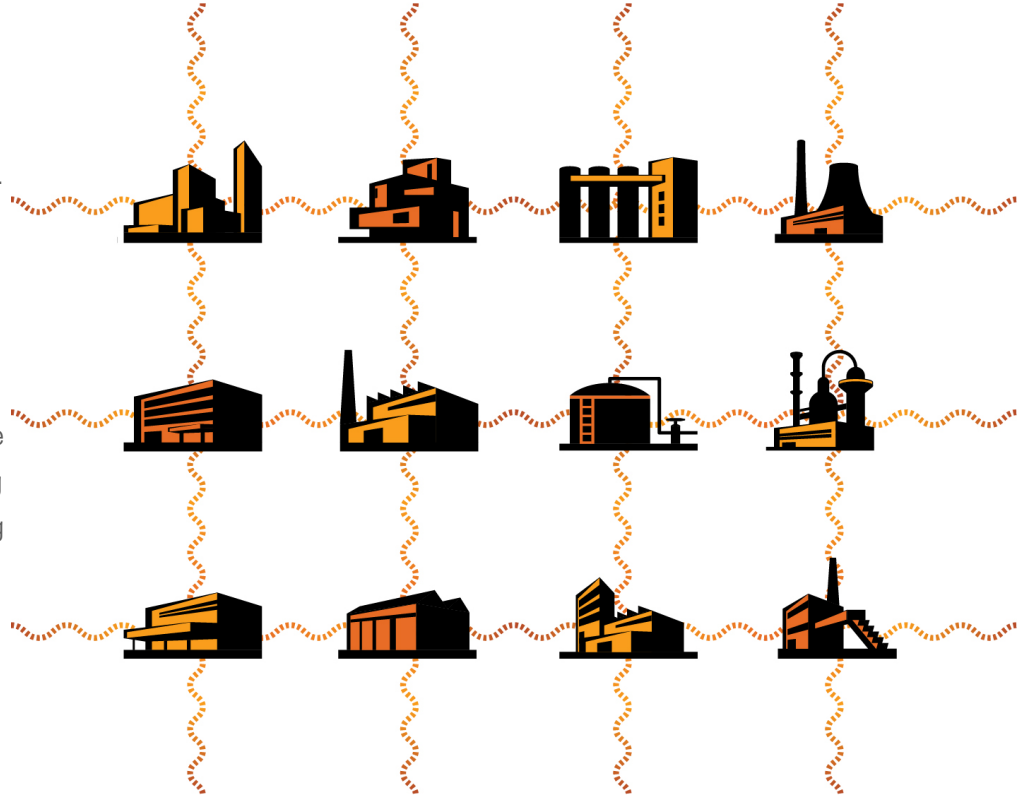
WHAT IS DEMAND RESPONSE?

Your organization is plugged into the ERCOT grid.

Sometimes, the demand for energy outpaces the grid's ability to supply it, causing brownouts or blackouts.

Instead of producing more energy at great expense to consumers and the environment, the ERCOT grid can offset the imbalance by reducing the amount of electricity being consumed during times when demand exceeds supply.

That's demand response, and it can be very financially rewarding to organizations like yours.



WHAT IS DEMAND RESPONSE?

Learn how reducing your energy usage can save revenue for your business.

with Cal Hester

WATCH THE VIDEO

LEARN ABOUT DEMAND RESPONSE FROM A CPOWER EXPERT

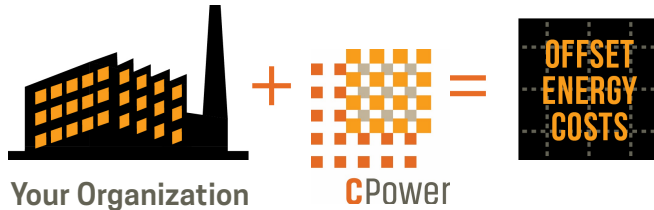
WHAT DOES CPOWER DO?

CPower helps help organizations like yours participate in **Demand Response** programs which pay businesses to be on standby to use less energy when the grid is stressed.

CPower and our team of energy experts work with you to identify where you can curtail your energy usage and still meet your needs to run your business. We develop a customized curtailment strategy designed specifically for you.



When the grid is stressed, which is usually only a few times a year, our dispatch team sends a notification and you comply based on your plan. You reduce your usage for a specified period of time and you get paid for the energy you didn't use.



CPower also works with you on an ongoing basis to find more you can do to reduce your energy usage and improve your Demand Response performance, so you can earn even more money.

CPOWER'S TEXAS TEAM...



Left to Right: Rory Castor, Director of Operations; Trevin Eckersley, VP & General Sales Manager; Craig Markham, Executive Director; Courtney Ross, Senior Analyst; Jeff Armenta, Account Executive; Adam Prescott, Account Executive; Paul Lange, Senior Analyst, Field Operations

At CPower, we understand that energy management is not a one-size-fits-all endeavor. That's why we take the time to learn about the intricacies of your business. Then we work with you to create customized curtailment strategies that enable your organization to earn revenue from energy you didn't use, without disrupting your day-to-day business.

Your CPower team will be with you every step of the way.
Always.

WHO IS CPOWER?

CPOWER IS AN ENERGY MANAGEMENT COMPANY.

We create optimized energy management strategies that help businesses streamline their energy usage, offset costs, and reach their sustainability goals.

We're passionate about helping businesses reach their energy management goals and know that there is no stronger resource to achieve those goals than the collaborative relationship we share with our customers.

Get to know us at the videos below.

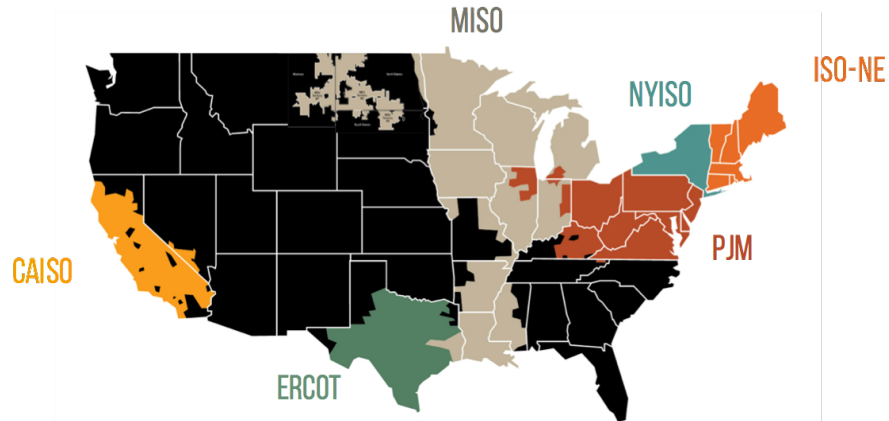


NATIONAL EXPERIENCE. LOCAL EXPERTISE.

CPower is a leading energy manager in each of the country's open energy markets. We serve well over 1000 customers at thousands of sites across a broad range of vertical markets: from large retailers with hundreds of locations to industrial entities with multiple sites of various sizes.

We strive to give each one of them the **personal attention** they deserve.

CONSIDER US YOUR
PERSONAL
ENERGY GUIDES.



EMERGENCY RESPONSE SERVICE (ERS) LOAD RESOURCE (LR)

Which program is right for your organization?

Over the next few pages, we'll examine the details of both the ERS and LR programs.

Helping businesses choose the right combination of demand response and demand management programs is what CPower does.

If you have any questions about which program is right for you, click the button below, fill out the form on the ensuing page, and someone from our CPower's Texas team will get reply to you shortly.

[Click here to contact us now](#)



EMERGENCY RESPONSE SERVICE (ERS) LOAD RESOURCE (LR)

Both the Emergency Response Service (ERS) and Load Resource (LR) pay businesses for being available to curtail energy when the ERCOT grid is stressed due to demand for electricity exceeding its supply.

When you participate in either the ERS or LR, you not only earn revenue by using less energy, but you're also helping to reduce energy costs for your business and for your community. Because of the aggregated megawatts curtailed by businesses participating in both programs the ERCOT is able to delay or eliminate the need for new generation.

These demand response programs help keep electricity prices in Texas stable. If you participate in one of these programs, that means YOU help keep electricity prices stable.

CPower can help you get the most out of either program by working closely with your organization to develop a customized curtailment strategy that suits your specific needs.

ONE OF THE BEST THINGS ABOUT ERS AND LR . . .

When you participate in the ERS or LR Program, ERCOT will pay your organization whether they call on event or not. Even if the grid is never stressed, you earn revenue for being available to curtail.



PARTICIPATION

+



AVAILABILITY

=



EASY MONEY

EMERGENCY RESPONSE SERVICE (ERS)

ERCOT offers two types of Emergency Response Service: 10 Minute and 30 Minute.

| | 10 MINUTE DEMAND RESPONSE PROGRAM (ERS 10) | 30 MINUTE DEMAND RESPONSE PROGRAM (ERS 30) |
|---|--|--|
| Notification | Customers will be notified of an event via email, phone, text and/or electronic signal per customers' instructions and must fully curtail within 10 minutes of start of event. | Customers will be notified of an event via email, phone, text and/or electronic signal per customers' instructions and must fully curtail within 30 minutes of start of event. |
| Minimum Size | No minimum size; accounts of under 100 kW curtailment will be aggregated. | |
| Participation | 4 month contract periods starting February, June and October. Each period contains 6 optional time slots: weekdays 5-8AM (Time Period 1), 8AM-1PM (Time Period 2), 1-4PM (Time Period 3), 4-7PM (Time Period 4), 7-10PM (Time Period 5), and weekends/nights/all other hours including ERCOT holidays (Time Period 6). | |
| Enrollment Deadline | One month before each contract period (January 1st, May 1st, September 1st). | |
| Distributed Generation | Can participate independently or in conjunction with Load. | |
| Metering/Direct Load Control (DLC) | Each account must have at least a 15 minute interval or smart meter (per ERCOT) and may also require CPower's monitoring solution, which provides one-minute usage data. | |
| | Customers over 1 MW of curtailable load must have DLC via CPower's monitoring solution (CPower's requirement). | No DLC requirement |
| Number & Duration of Load Response Events | Customers may be called to curtail load for up to 12 hours per contract period. | |
| Testing | At a minimum, a 15-30 minute test event will be called once per year absent successful event deployment. | |
| Capacity Payments | Customers are paid based upon the clearing price, contract capacity and participation hours. | |
| Settlements | Customers receive payments within 60 days of the end of the contract period. | |
| Compliance | Customers must meet their performance obligations during events and test events, and must meet their availability requirements all other committed times. | |
| Consequence of Non-compliance | Availability and performance factors are taken into consideration and can reduce payments. Non-performance | |

LOAD RESOURCE (LR)

LR is a 10 Minute Responsive Reserve Ancillary Service Program

| | |
|---|--|
| Minimum Size | Minimum load reduction offer of 100 kW. |
| Participation | Year-round, 24 hours per day. |
| Enrollment Deadline | No deadline; Customer must first be registered as a Resource with ERCOT which can take 90+ days |
| Distributed Generation | Can participate independently or in conjunction with Load. |
| Metering / Direct Load Control (DLC) | Two second demand data (provided by CPower monitoring solution) and an under-frequency relay are ERCOT requirements. Customers must have DLC via CPower monitoring solution. |
| Number & Duration of Load Response Events | Customers may be called to curtail load for several hours. Deployments can be either all LRs currently committed or a subset. |
| Notification | Customers will be notified of certain events via email, phone, and/or electronic signal per customers' contracted instructions and must fully curtail within 10 minutes of start of event. Immediate curtailment via Under Frequency Relay (UFR) upon system frequency reaching 59.7 Hz for 20 cycles. |
| Testing | At a minimum, a 15-30 minute test event will be called once per year absent successful event deployment. |
| Compliance | Customers must meet their performance obligations during events and test events, and must meet their availability requirements all other committed times. |
| Capacity Payments | Customers receive recurring monthly payments for committing load to the program. The payment is based on either a fixed price or hourly market rates varying by market conditions and ERCOT curtailable load requirements. |
| Settlements | Customers receive payments within 30 days of end of month. |
| Consequence of Non-performance | Customer failure to curtail load results in suspension, termination and/or penalties. Fixed Price customers will be required to pay replacement costs if unable to participate in the market. |

HOW OFTEN WILL YOU BE CALLED ON TO CURTAIL YOUR ENERGY LOAD?

ERS

| YEAR | # OF ERS 10 EVENTS | # OF ERS 30 EVENTS |
|---------|--------------------|--------------------|
| 2008 | 0 | NA |
| 2009 | 0 | NA |
| 2010 | 0 | NA |
| 2011 | 2 | NA |
| 2012 | 0 | 0 |
| 2013 | 0 | 0 |
| 2015 | 1 | 1 |
| Average | 0.4 | 0.3 |

Represents capacity shortage events above and beyond annual tests

LR

| YEAR | # OF SYSTEM-WIDE VDI EVENTS | # OF SYSTEM-WIDE UFR EVENTS | # OF LOCAL UFR EVENTS |
|------------------|-----------------------------|-----------------------------|-----------------------|
| 2008 | 3 | 0 | 1 |
| 2009 | 0 | 0 | 0 |
| 2010 | 2 | 0 | 2 |
| 2011 | 3 | 0 | 4 |
| 2012 | 0 | 0 | 3 |
| 2013 | 0 | 0 | 3 |
| 2015 | 1 | 0 | 1 |
| Average # | 1.5 | 0 | 1.3 |
| Average Duration | 107 Minutes | 0 Minutes | 16 Minutes |

HOW WILL CURTAILING ENERGY AFFECT YOUR BUSINESS?

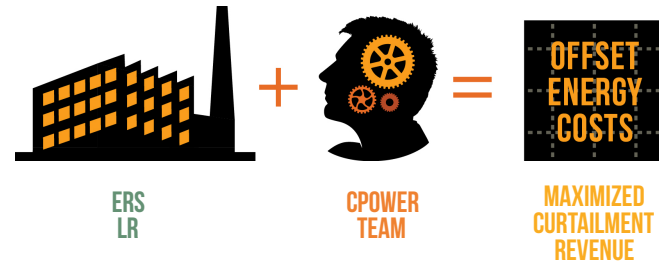
CPower has a team of energy experts who help you develop your energy strategy and maximize your demand management participation.

Your CPower Team does a complete assessment of your facilities to understand your energy needs and usage.

We work with you to develop and fine tune an energy strategy that suits your business goals and operational considerations.

We then identify where your organization can cut back on energy and still meet the needs of day to day business.

Once your customized strategy is in place, your CPower Team continues to work closely with you to refine your energy management efforts and maximize your results.



WATCH THE VIDEO
WE'RE THERE FOR YOU. ALWAYS.

AUTOMATE. OPTIMIZE.

When it comes to keeping your business running smoothly, you've got a lot on your plate.

When it comes to seamlessly executing your curtailment strategies with CPower, you've got nothing to worry about.

That's because when you automate your demand response, you don't have to do any of the work to curtail your energy consumption.

With automated demand response, CPower's makes it easy to earn top dollar for your curtailment efforts.

AUTOMATED DEMAND RESPONSE . . . THE CPOWER WAY



DEMAND RESPONSE



AUTOMATION



MORE EARNINGS

Our automation software integrates with your existing building control infrastructure and web services, allowing you to change load schedules and energy usage based on automated notification signals.

When the grid is peaked, CPower sends a signal that notifies your building(s) to reduce energy usage automatically. Your staff doesn't have to stop what it's doing to manually reduce your load.

CPower's automated demand response system does it all for you.



When the grid is stressed
the signal goes out from ERCOT...



... and with Automated Demand
Response by CPower ...



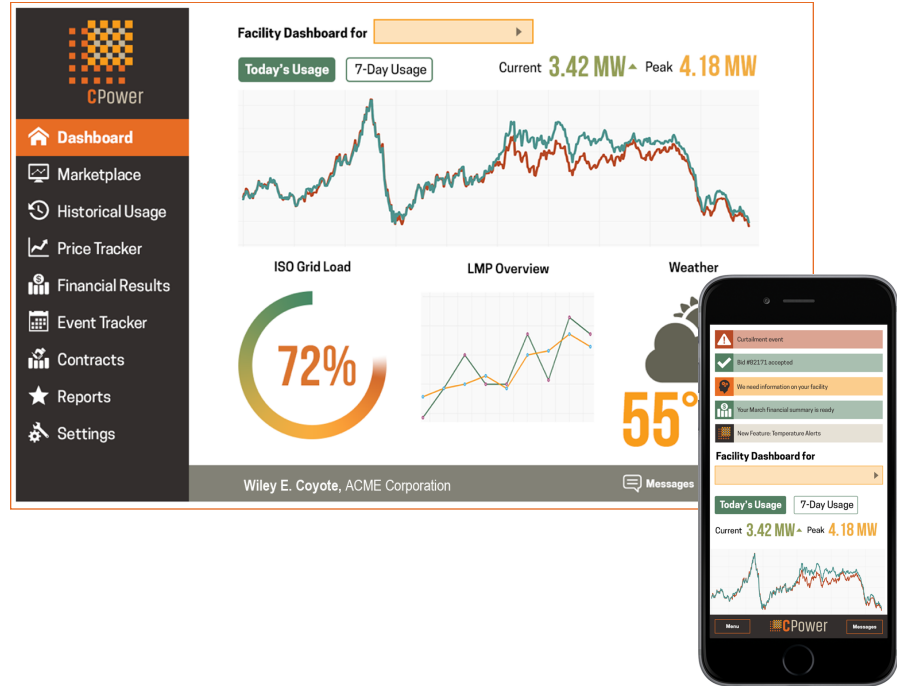
... your facility automatically curtails
energy usage. Efficient and
effective curtailment can lead to
increased DR revenue.

ENERGY MANAGEMENT AT YOUR FINGERTIPS.

CPower puts powerful energy management tools at your fingertips with a simple to use, demand response solution on your desktop or mobile device.

With a click of a mouse or a touch of your screen, CPower allows you to access all vital usage and load information quickly and intuitively.

We connect directly to your energy meter to give you real-time usage information to your desktop or mobile device. We also connect you to your independent system operator so you can easily bid loads into synchronized, day-ahead, and real-time energy markets.



ENERGY MANAGEMENT AT YOUR FINGERTIPS



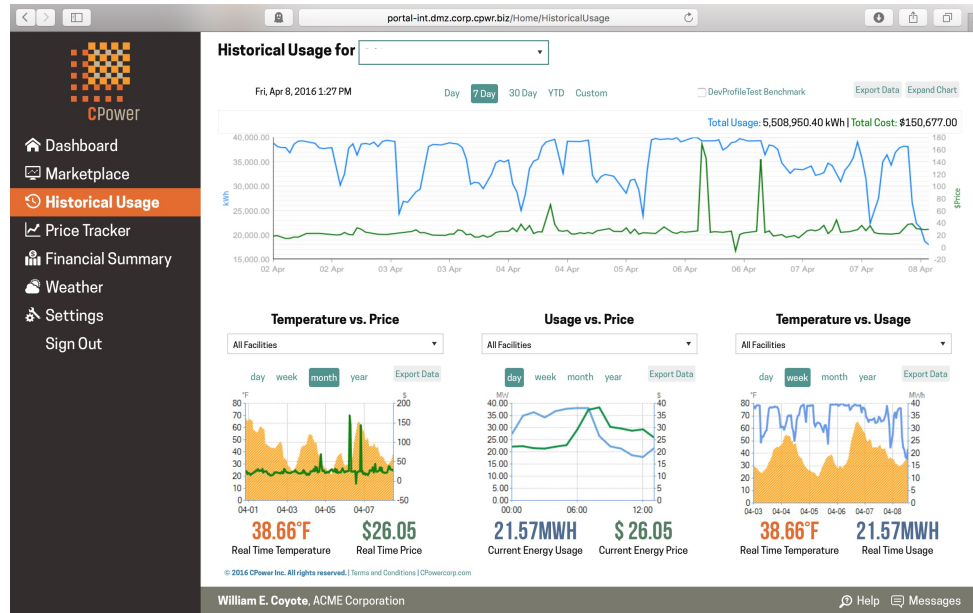
WATCH THE VIDEO

LEARN HOW CPOWER GIVES YOU THE TOOLS TO SUCCEED.

Our user-friendly interface makes it easy to gauge your energy consumption. You can watch energy price trends in your market, so you can make the right decisions to manage your energy costs, and ensure that your business is in compliance with the regulations that govern your market.

Combined with CPower's Link, an application program interface (API) that integrates with your existing building controls and automation, CPower helps you maximize results from demand response through automation, with minimal labor and effort on your part.

Streamlined data management features provide quick and convenient reporting, auditing, and financial reward calculations in simple graphical form.



WATCH THE VIDEO
LEARN HOW CPOWER GIVES YOU THE TOOLS TO SUCCEED.

EARN BACK WHAT YOU'VE PUT IN

Your organization is already paying for demand charges (4CP) in Texas with a portion of your electric bill.

Participating in the demand response programs is great way to earn back what you've already paid in...and then some.



ERS OR LR
PROGRAM

Energy is forever in motion.
At CPower, we never stop moving in our pursuit to help your organization master its energy spend.



Contact CPower and set up a complimentary energy evaluation for your business conducted by our team of engineers and consultants:

call xxx-xxx-xxxx to speak with a CPower team member
or visit us online at CPowerEnergyManagement.com/vanity url HERE

