

A LEADING PROVIDER OF DEMAND RESPONSE RESOURCES IN THE UNITED STATES

PJM ILR Summer Capacity Program 2011/2012

Earn a Significant REVENUE STREAM in PJM as a Wholesale Market Resource

- Receive revenue simply for being available to participate
- Earn additional revenue for responding to a called event
- Historically, only one to three calls per summer

Your availability as a DR resource is worth a lot to the PJM grid operator! NAPP works with its customers to identify the portion of electric load at each facility that can be reduced – aligning customers' objectives to generate revenues while limiting impact on facility operations.

Ways that customers reduce their energy usage include idling equipment, shutting down processes, raising thermostats, or reducing lighting. NAPP will provide the metering technology and transaction systems required to participate in our Demand Response programs.

PJM operates the world's largest wholesale electricity market ensuring the reliability of the largest centrally dispatched electric grid in America.

■ 2011/12 Summer Capacity Market (by utility)

Utility	PJM ISO Payment (per MW) *
AE	\$40,164
AEP *	\$40,164
APS	\$40,164
BGE	\$40,164
COMED	\$40,164
DAYTON	\$40,164
DOM	\$40,164
DPL	\$40,164
JCPL	\$40,164
METED	\$40,164
PECO	\$40,164
PENLC	\$40,164
PEPCO	\$40,164
PL	\$40,164
PS	\$40,164
RECO	\$40,164



■ Program Details

Availability is required year round with mandatory participation between June 1st through September 30th and voluntary participation for the rest of the year.

Events can be called Monday through Friday between the hours of noon to 8pm.

Maximum summer season participation is limited to ten events of no longer than six hours per event.

Customers receive a minimum of two hours notice prior to an event.

No more than two (2) call events have been called per zone, per year, in the past five (5) years.

Testing is required in the absence of a call event by zone.

Failure to curtail will reduce payments, although reductions can never exceed expected revenue.

* Customer payment based on percent share of PJM ISO payment,
 - KW of DR reduction, and performance.
 - Payment is estimated and subject to adjustment by PJM.
 - PER 1,000 KW
 * Indiana Sites Require Utility Company Approval



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Generating New Revenue with Demand Response

Demand Response Overview

Demand Response is the temporary reduction of electrical usage by a customer for an economic or emergency response. DR programs are designed to contribute to energy load reduction during times of high prices, critical peak demand, or supply shortfalls on the electric grid.

Customers participating in a DR program earn recurring monthly revenues for their availability to reduce their demand – essentially offering their unused capacity as a new and reliable resource to the grid.

Customers' DR capacity revenues are paid quarterly whether or not they are called upon to reduce energy consumption.

DR Reduces Critical Peak Demand



About NAPP

North America Power Partners is a leading provider of Demand Response resources across the United States. We enable our customers to participate in a range of programs including Capacity, Reserves, and Self-Scheduled Energy. Our DR solutions include advanced metering with web-based reporting tools for all our customers. NAPP provides engineering audits, automation, and controls for customers who want to automate their demand response.

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(856) 439-0800 or 1-(888) 476-7764

California

400 Continental Blvd, Suite 600, El Segundo, CA 90245
(310) 426-2966

Benefits of NAPP's Demand Response Programs

- Revenue** *Create a significant recurring new revenue stream for your organization*
- Grid Reliability** *Reduce the likelihood of a blackout in your community*
- Environmental** *Offset the need for new generation plants; reduce GHG emissions*
- Usage Reports** *Access valuable electric usage reports every hour to monitor energy use and manage utility costs*

NAPP works with its customers to identify the portion of electric load at each facility that will be reduced – aligning customers' objectives to generate revenues while limiting impact on facility operations. Ways that facilities reduce their energy usage include idling equipment, shutting down processes, raising thermostats, utilizing building automation and energy management systems, or reducing lighting. NAPP will provide the metering technology and transaction systems required to participate in our DR programs.

