



FCC Field Hearing on Energy and the Environment

Cambridge, MA; November 30, 2009

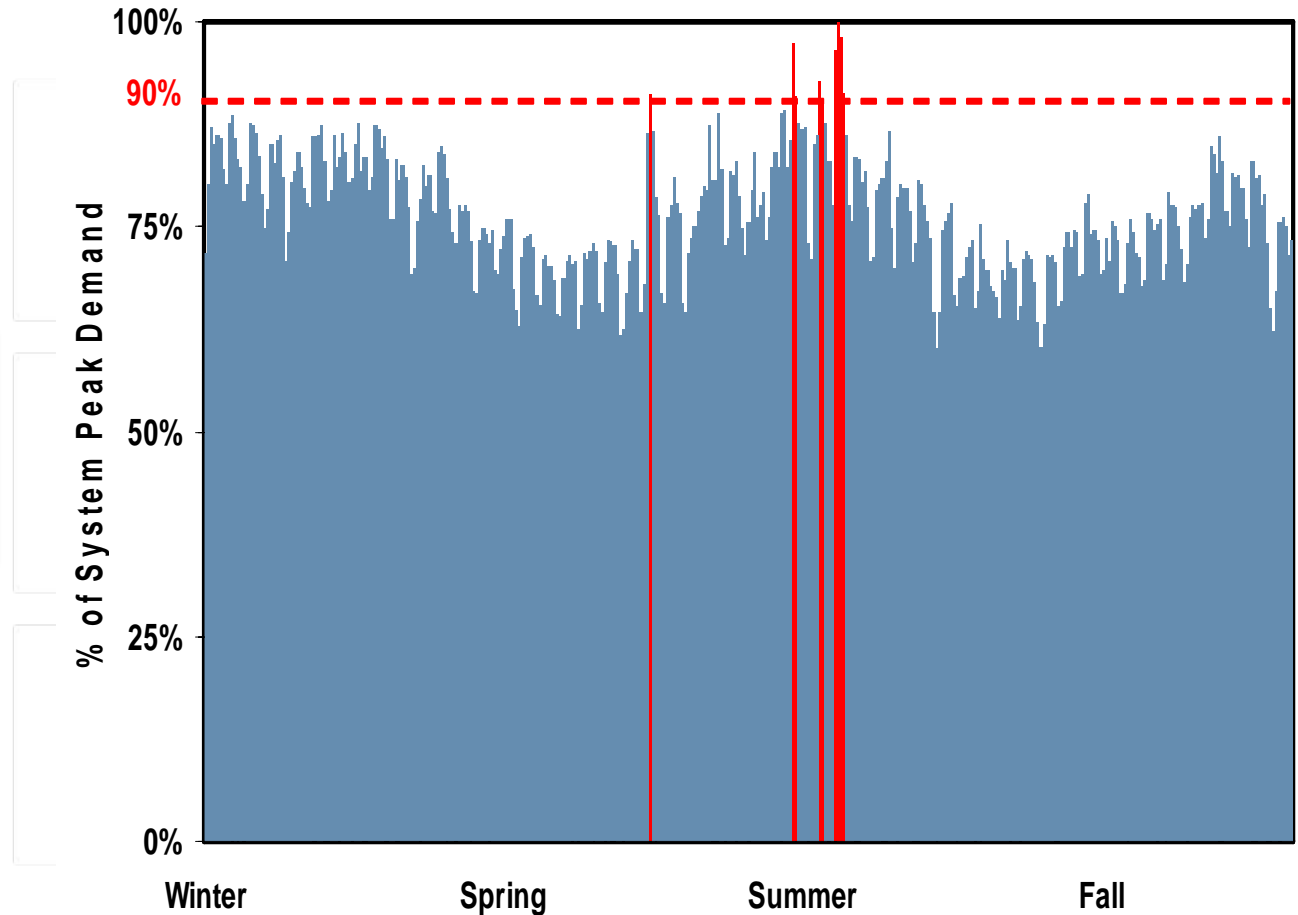
Why Demand Response?

Annual Electricity Demand

Reduces peak demand and the need for new peaking power plants

Mitigates high wholesale market prices

Reduces transmission and distribution congestion



Demand Response Benefits Ratepayers

ISO-New England: *Electricity Costs White Paper* (2006)

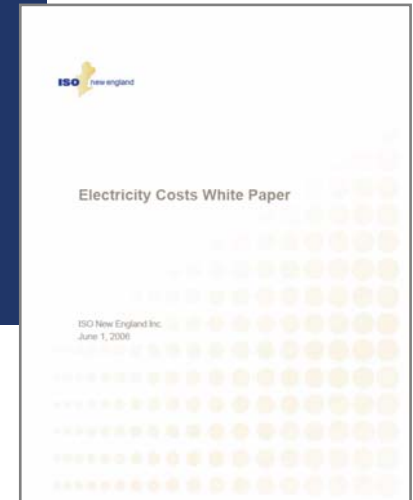
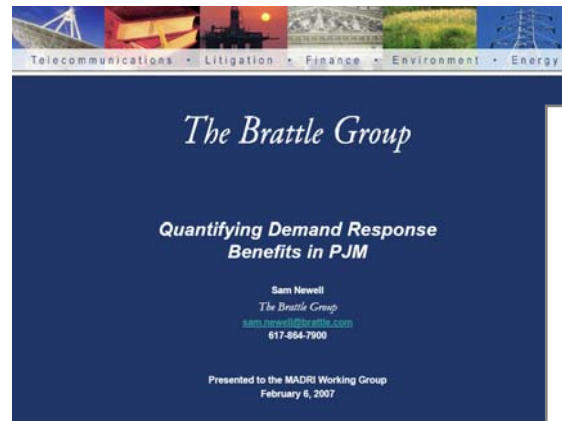
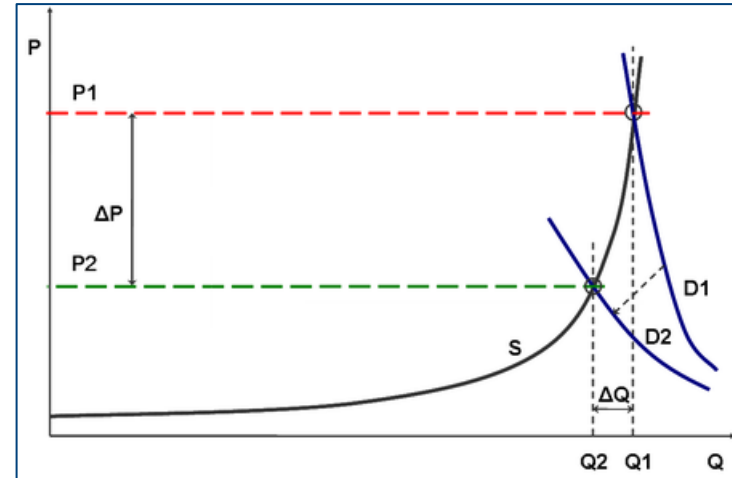
- Reducing electricity use by 5% during peak times will save consumers **\$580 million per year**

Brattle Group: *Quantifying Demand Response Benefits in PJM* (2007)

- **\$138-281 Million of system benefits to PJM** if load curtailed 3% during top 20 5-hour price blocks of 2005

Summit Blue: *Demand Response Resources Valuation and Market Analysis* (2006)

- Forecast: Demand response will save **\$892 million** in capacity charges over next 20 years (present value, 2004 \$)



Who is EnerNOC?

Market Leader in Demand Response

- Over 3,250 MW under management, across more than 5,600 commercial/industrial sites (as of 9/30/09)
- 370 full-time employees
- Active in all DR programs in RTO/ISO regions plus many utilities

Innovative Smart Grid Energy Management Services for Businesses and Institutions

- Diversified product suite of demand response and energy management solutions, including Monitoring-Based Commissioning (MBCx), Energy Supply Management, and Carbon Management
- Scalable technology platform – PowerTrak®

Strong Financial Track Record

- Founded in 2001; Publicly traded on NASDAQ (ENOC) since May 2007
- Wall Street guidance: cash flow positive 2H 2009; GAAP EPS positive full-year 2010; 2009 projected revenue: \$187-189 million

Energy Data from Every Customer

Capture Meter Data

- At each site, the utility installs a KYZ pulse on the end-user meter, or an EnerNOC field technician installs a current transformer. The ESS stores this usage data.



Send Meter Data

- In real-time, each ESS transmits usage data to EnerNOC's PowerTrak® software platform via broadband or wireless connection.



Present Meter Data

- Users have access to PowerTrak, online energy management software, that presents EnerNOC consumption data and demand response performance in real-time.



Policy Implications

- Communications and computing are the keys to the Smart Grid
- Customers should have access to their own data directly from the meter in near real time
- Standards are important
- Making broadband availability more ubiquitous will allow more and smaller customers to be able to participate in Demand Response and Energy Efficiency activities.



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