



PA Act 129 – Opportunities for DR

John Rossi
SVP Business Development
Comverge Inc.
jrossi@comverge.com

Comverge's Comprehensive Approach to Clean Energy Solutions



Large C&I



Commercial



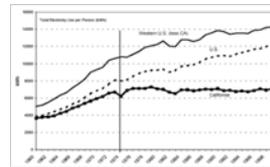
Small Commercial



Residential



Peak Demand Capacity



Energy Efficiency



Smart Grid

COMVERGE leads the clean energy industry with comprehensive Peak Demand Management, Smart Grid, and Energy Efficiency solutions.



Total MWs Provided to Industry

MW ^s owned under long term capacity contracts	866 [*]
MW ^s to be provided under turnkey programs	320
MW ^s provided for sale in market programs	997
MW ^s managed for a fee	437
Total MW^s of customer capacity owned or managed	2,620
MW ^s provided through technology sales	6,209
Total MW managed or provided by Comverge	8,829



* Includes 40 MW^s subject to regulatory approval

Act 129 Implications

- Load drop measured as demand reduction during the top 100 hours for each utility.
- These 100 hours could represent >20% of the normal business day hours between June 15 and Sept 15.
- Successive days with hours in the top 100 are highly likely.



C&I Customers and Act 129

- For large customers with process load, shedding for this duration is problematic.
- Likelihood of multiple hours per day and successive control days is challenging for C&I recruitment.
- Solution may be to over recruit number of C&I customers to share the control or increase payments to compensate.

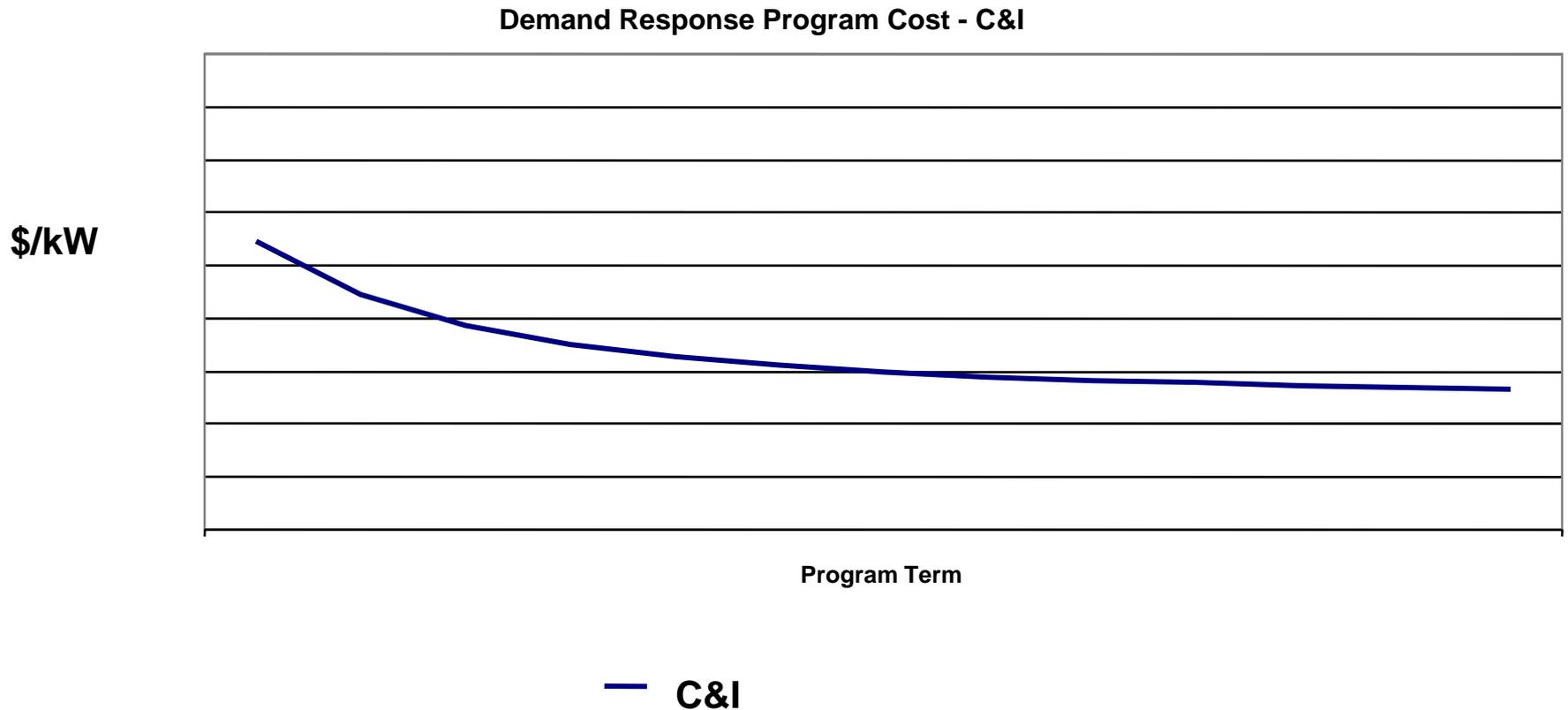


Residential Customers and Act 129

- Multiple hours per day and successive control days are normal for Residential Programs.
- Residential customers have shown capability for cost-effective load shed for 100 hours.
 - One of our residential program routinely has over 60 hours of control per season.
 - Comverge has one program where the program operated for 96 hours last year, under very challenging temperature conditions.

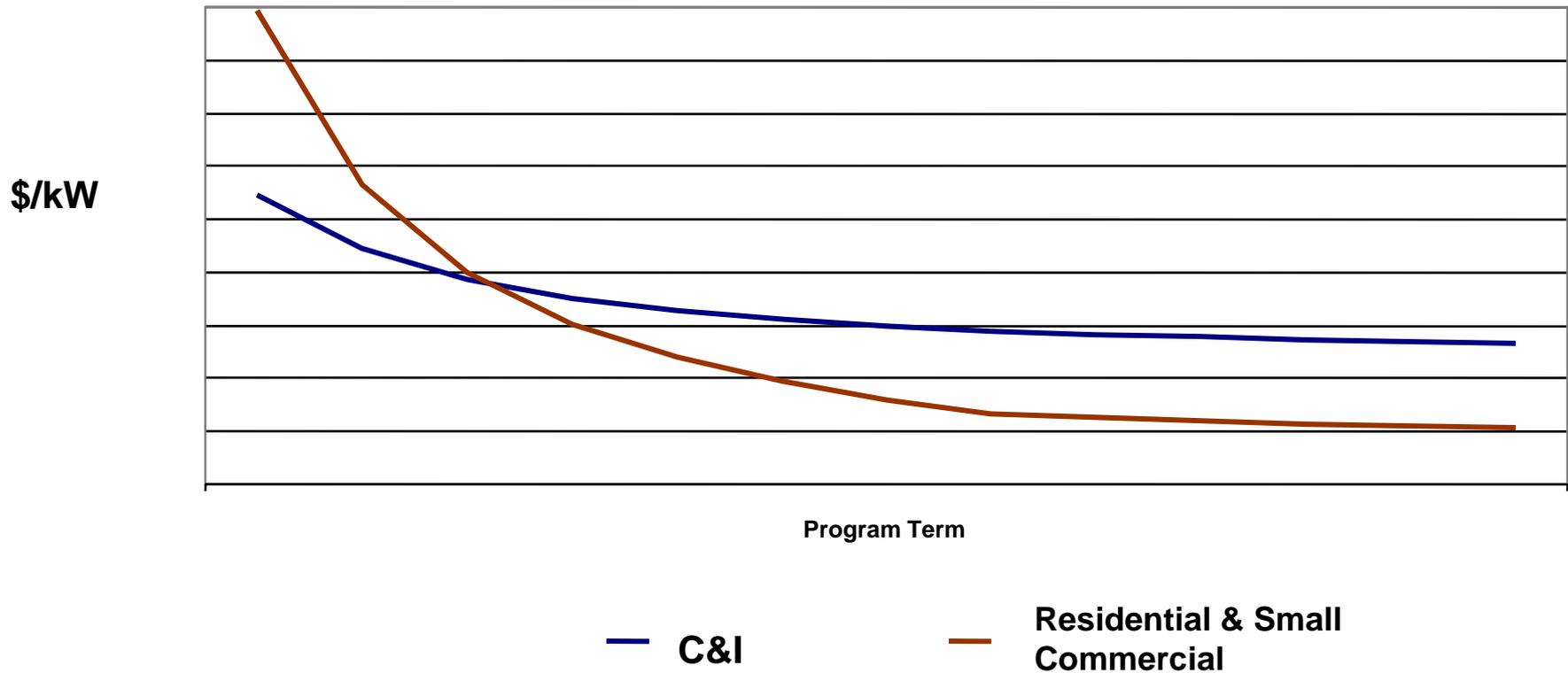


Program Cost over Program Life



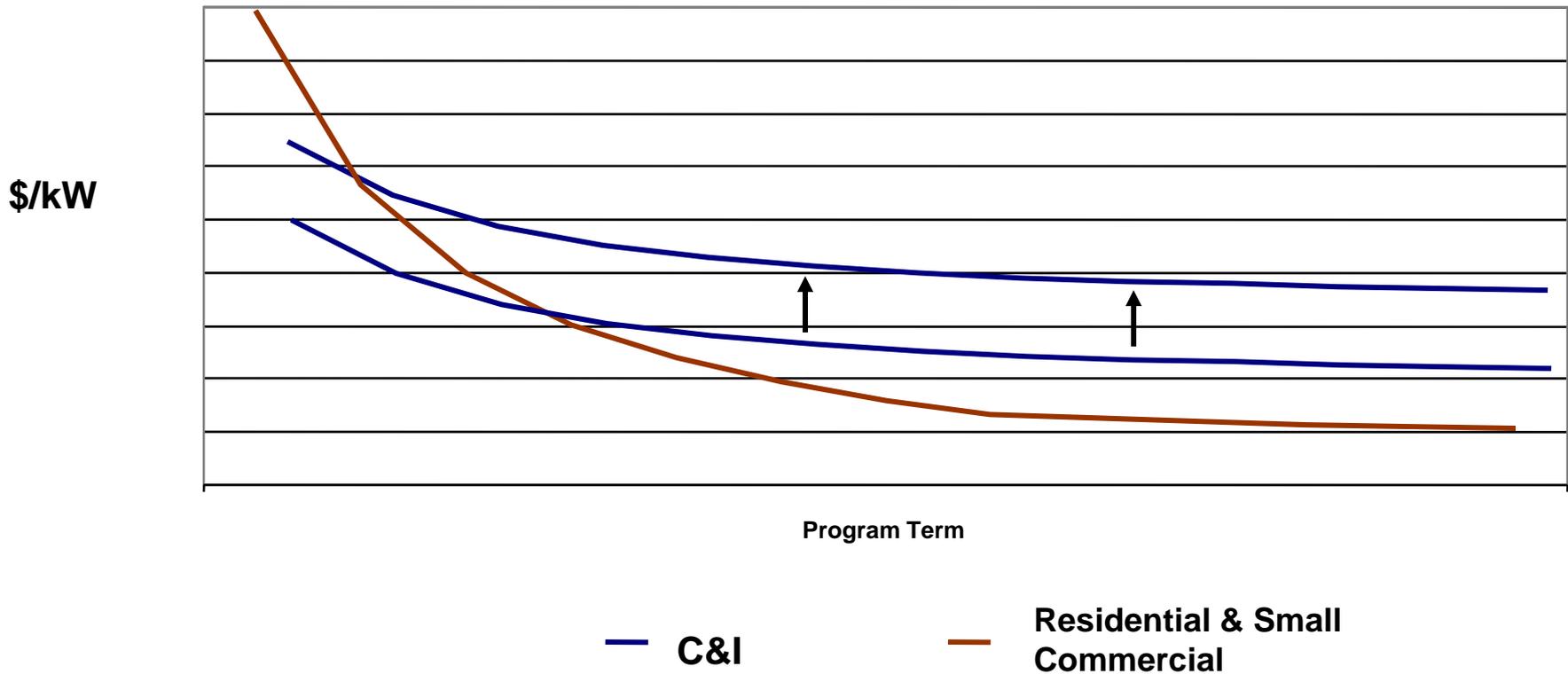
Program Cost over Program Life

Demand Response Program Cost - Residential vs C&I



Program Cost over Program Life

Demand Response Program Cost - Residential vs C&I



Conclusion

- 100 hour operation under Act 129 could increase the cost of C&I load.
- Residential and Sm. Commercial programs have demonstrated capability of providing cost effective load under these conditions.

