

CONSIDERING WIND

ENERGY MANAGER

Q1. What is the difference between demand and consumption on my bill?

The difference between demand and consumption on your electric bill is demand is typically associated with the amount of power you're using over a 15-minute interval, whereas consumption is the amount of energy you're using over the entire billing period. [Consumption is] going to be in kilowatt hours whereas the demand is going to be a kilowatt charge.

Q2. What is my marginal cost of energy?

Your marginal cost of energy is the costs associated with putting one extra kilowatt hour (so one extra unit of energy) back onto the grid. This is the rate One Energy is able to offset with its *Wind for Industry*® projects.

Q3. What is a CRES?

CRES stands for Certified Retail Electricity Service provider. A CRES is a third-party generation supplier. In deregulated states, you are allowed to buy your generation from third parties instead of having to buy your generation through the utility itself. Here in Ohio, for example, we are a deregulated electricity state, so we're able to go out and shop for the lowest generation costs. And that third-party generation supplier – that's what the CRES is.

Q4. What is net metering, and when is it available?

Net metering is a billing mechanism that most utilities use to allow for on-site generation. Here in the State of Ohio, the public utilities have to allow for net metering. What that is saying is that you're going to be putting a generation entity behind the meter on your side of the meter and the meter's going to be able to run forwards and backwards. Your facility is going to be using any of the energy that the generation entity – so, in our case, for a *Wind for Industry*® project, the wind turbines – any power that's being generated, your facility's going to use.

But let's say your facility can't necessarily use all of that. The meter's then going to flow backwards and all that power is going to flow back onto the grid. And with public utilities, and this net-metering billing mechanism, you're only going to be billed on the net consumption that you use over the entire month. It can keep going back and forth

throughout the entire month, but you're only billed on that end net consumption at the end of the month.

Q5. What portion of my bill will you offset?

With our *Wind for Industry*® projects we're able to offset any kilowatt-hour-based rates. That's typically your generation and any associated riders that your utility's going to be adding on afterwards.

Q6. Do utilities have to allow net metering?

Utilities here in the State of Ohio don't necessarily have to allow net metering. There are kind of two different realms in that sense. If it's a public utility, they have to allow net metering because they have to follow the same rules and regulations that the Ohio revised code does. It's all laid out and straight-forward in that sense. Whereas with cooperatives and municipalities, they don't have those same rules and regulations as the public utilities do. They can kind of decide on their own with each individual case-by-case basis if they want to allow for net metering or not.

Q7. How is the current electric market affecting generation prices?

Right now, with a bunch of new emerging technologies, as well as the natural gas boom that's happening, generation prices are pretty much at an all-time low. So generation is getting lower, but that doesn't necessarily mean you're seeing on the customer side that your bill is getting lower. A lot of utilities will add on extra riders in addition to the generation costs. So you're seeing a bunch of added-on costs associated, so your rates have probably been stagnant for the past couple years.

Q8. Can you match my billing cycle?

With all our *Wind for Industry*® projects, we're putting utility-grade meters right at the base of the turbines. We're able to monitor what the output is pretty much at any given instant. And because of this, we definitely can match when your utility is billing and match that same date.

Q9. How do retail rates differ from wholesale rates?

Retail rates differ from wholesale rates in the same sense of *retail* versus *wholesale* in any type of market. Wholesale rates typically refer to the generation entity and they're going to be selling the energy at a wholesale rate either through contracts or through market bidding to a supplier. This is kind of a middle man who then doles out the energy to the end user. And this middle man is going to be selling it at *retail rates* to the end user.



Q10. Will you negotiate the price of power?

With our Renewable Energy Agreements, our REAs, we offer a fixed rate for 20 years. This rate that we offer initially is pretty much where we're able to be to get our own returns back on the investment, so we can't necessarily negotiate the price of energy that much. However, there is just a little bit of wiggle room if we can put the turbines on your land, as opposed to having to go out and buy additional land that's contiguous to your property. That can kind of play a little bit into that REA rate that we're able to offer – and a whole slew of things like that. But right now, typically the rates we do offer are pretty much as low as we possibly can go.