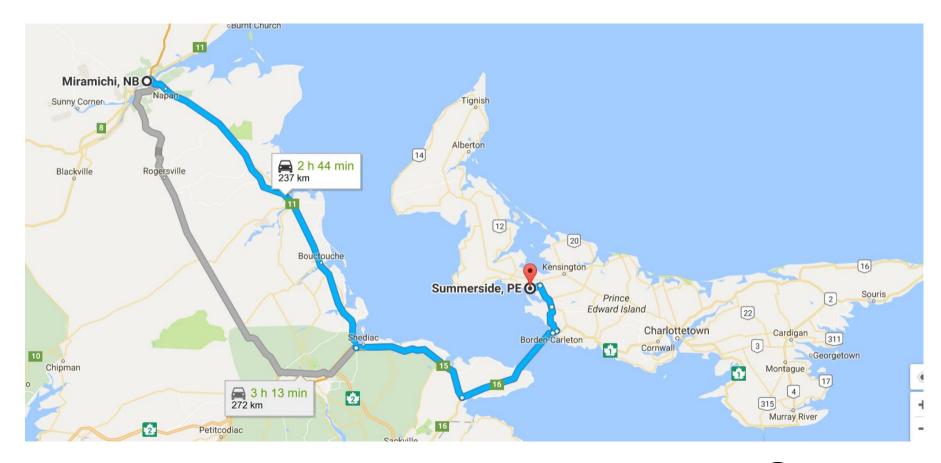
Summerside

Prince Edward Island, Canada





How to Get to Summerside





Perspective

Plan Plan Plan

Import Import Import

Produce Produce Produce

Export Export Export

Purchase Purchase Purchase

Transmit Transmit Transmit

Distribute Distribute

Zummerside









Distribute

Our Electric Utility

The City of Summerside PEI Operates a Municipal, Community Owned Electric Utility: Summerside Electric

- Serving 7,000 customers
- Annual energy sales of 143 Million kWh's
- Purchase, Produce, Transmit, Distribute
- Regulated by Municipal Council
- Operating since 1920
- 23 employees (Utility)
- 150 employees (Municipal)
- Revenue of \$21,000,000





Energy Sources

Electricity on P.E.I. comes from a combination of Local Wind Energy and Generation in Neighboring Provinces and Transmitted Undersea

- No Hydro Electricity, No Natural Gas (trucked in), No Nuclear
- Most Homes Heated by Imported Fossil Fuels & Electricity







Summerside Electric Facts

Peak Load 27 MW Total Wind Energy available to City 21 MW

% of surplus wind sold outside City 3% (was 15%)

| Source | MWh (2015) |
|--------------|------------|
| Diesel Plant | 1,000 |
| Import Power | 76,200 |
| Wind | 65,800 |
| Totals | 143,000 |

In last 3 years the City has averaged 20% of the time being powered by 100% renewable energy.

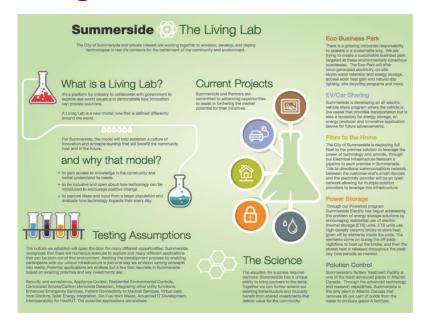
Summerside has the highest percent of wind integration for a utility in North America at 46%.



Energy Programs









Summerside

Prince Edward Island, Canada

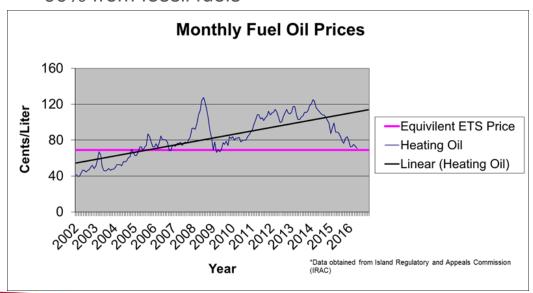
My Power Net Opportunity in 2010

Summerside Electric's current energy portfolio

- 54% imported (NB Power)
- 46% wind energy (Summerside and West Cape)
- Wind Surplus exported (to NB) 8,500,000 kwh's

City of Summerside Heat Sources

- 10% from electrical heat (changing quickly)
- 90% from fossil fuels





Prince Edward Island, Canada

My Power Net Vision

Directing the wind farm benefits to the residents
 Reduce Heating and Hot Water Costs against oil energy sources
 Reducing Greenhouse Gas Emissions

Creating an Additional Revenue Source for the Utility

Reduce wind exports to Zero (Use locally)
Increase OFF – PEAK sales (better margins)
Stem the increase in Peak Growth on System

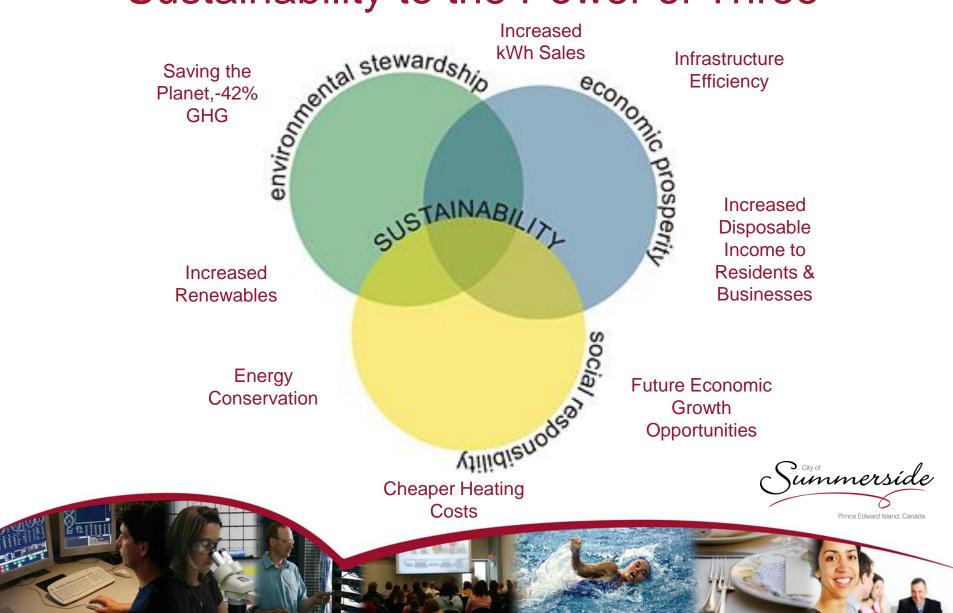
Create Economic Development Opportunities
 Create an electric infrastructure network
 Living Lab for Research and Development
 Flexibility of Infrastructure – Less Barriers
 Increase disposable income to all Residents
 One Degree of Separation from the World



Summerside

Prince Edward Island Canada

My*Power*Net Sustainability to the Power of Three



My Power Net Technology



Automatic Metering in Time Intervals

Tantalus Metering System – Ethernet



Energy Thermal Storage Systems

Steffes heating appliances – Ethernet



Controllable Efficient Hot Water Tanks

Ethernet connected – heat to 170F or 76.6C

Communications Network

Real time high speed control with security

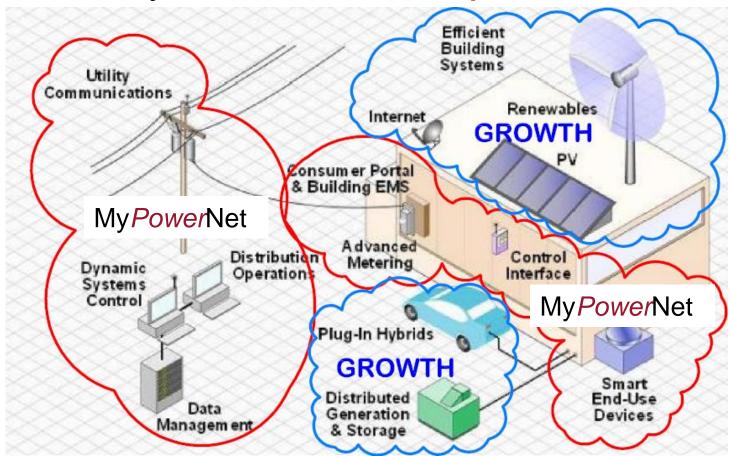


Utility Scada Systems – Virtual Power Plant
 Manage the demand, not the supply (limits)





My Power Net Components

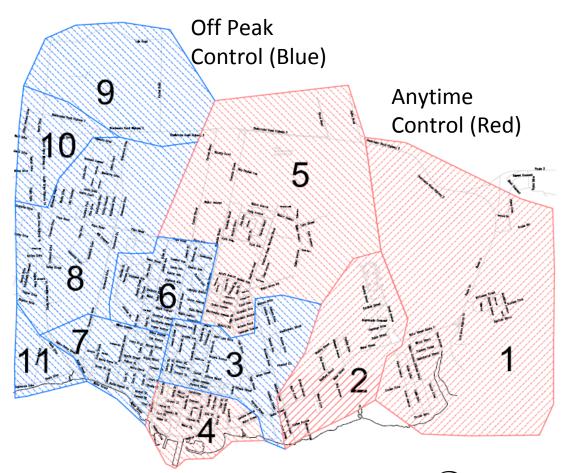






Communications Zones

- 11 Sections (4 Completed)
- 325
 Appliances,
 (140 Real time control,
 185 time clock control)





Energy Storage Capacities

Furnaces

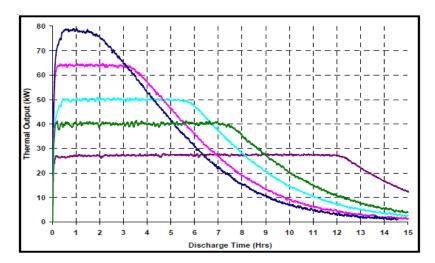
- 19.2 kW to 80.0 kW Inputs
- 86.0 kWh's to 480.0 kWh's

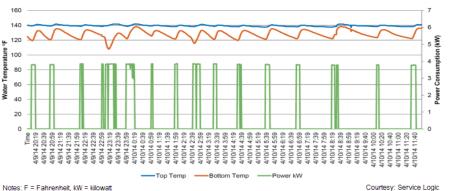
Room Heaters

- 2.4 kW to 10.8 kW Inputs
- 13.5 kWh's to 40.0 kWh's

Hot Water Heaters

- 50 USG to 105 USG
- 76.7 Degree Celcius
- 4.5 kW Inputs
- 5 kWh's to 12 kWh's









My Power Net Executions

Business Plan for Program to Decision Makers

No subsidies required, Self - sustaining Limit investment risks to benefits garnered Consumer/Utility/Environment

New Electric Rate Classifications

Easily understandable No life Style Changes **Establish Trust with Customer**

New Partnerships

Local contractors for installs Local suppliers of material

Manufacturer relationships for Distributor rights





My Power Net Logistics

Change in Operations

New marketing plans
New sales plans
New training requirements
New servicing considerations

Change in Work Site

Going beyond the meter Personal spaces

Change in Utility Cores

New software functions

New Information Network needs





My Power Net Collaborations









George Smith & Sons Plumbing & Heating

Advanced Air Systems



Economy Electric

Waite's Electric

Buchanan Electric





MyPowerNet Results (Sept. 2016)

325 ETS units installed

147 hot water heaters, 52 furnaces, 126 room heaters

212 premises – 3,100 kW's for load shaping

Increased Off-Peak sales for Utility

Increased Demand Response for Utility

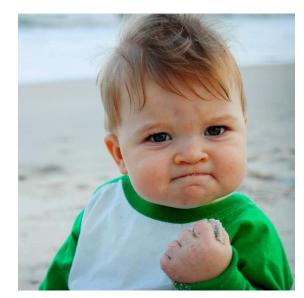
Annual increased revenue for Utility

Used for consumer program and fiber build

99% Customer Satisfaction

32-85% GHG Reduction (Possible)

Customer saves against heating oil (5-40%)





Prince Edward Island, Canada

What to Do with Demand Response?

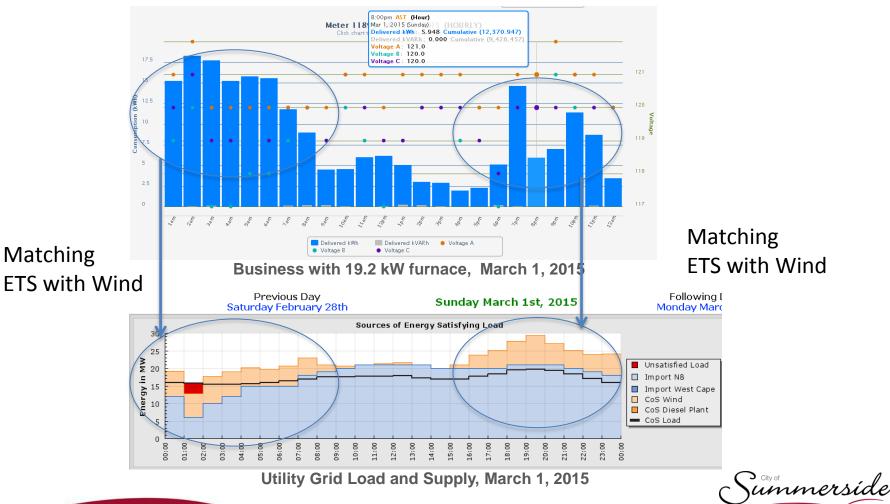
Grid Decisions and Control are Crucial

- What result do you want for the full grid?
 - Integrating renewables?
 - Avoidance of peak demands?
 - Load Shifting?
 - Best GHG emission reduction?
 - Best benefit to consumer?
 - Best benefit to electric utility?





Operational Information



Prince Edward Island, Canada

MyPowerNet - Reducing Exports

Less Wind Energy Exported = More Local Use

- 2010 (8,500 MWh's)
- 2011 (7,443 MWh's)
- 2012 (4,103 MWh's)
- 2013 (3,363 MWh's)
- 2014 (2,004 MWh's)
- 2015 (1,994 MWh's)





rince Edward Island, Canada

Consumer Program

Incentives for electric thermal storage and controllable hot water tank customers.

Purchase, Lease or Rent Appliances

Rate Discount Incentives (Locked for 5 years)

Hot Water – 8.0 cents / kWh Year Round

Space Heating – 8.0 cents / kWh

Bucket rate blocks

Consumers
Participate through our
Heat For Less Now
Program







My Power Net Customer Results

- Amalgamated Dairies Ltd. (ADL)
 - Industrial Milk Processor
 - Installed 160kW of ETS
 - Cost Installed ~ \$75.000
 - Savings ~ \$59,000 / year
 - Simple Payback of ~ 1.3 years



- Heritage Office Building
- Has 56kW Total Installed
- Cost Installed ~ \$15,000
- Savings ~ \$2,200 / year
- Simple Payback of ~ 6.8 years



Independence Place - Row Housing

- 11 unit attached living units
- 6 kW room heater in each unit
- Cost Installed ~ \$17,650
- Savings ~ \$3,051 / year
- Simple Payback of ~ 5.8 years



Summerside Motel & Restaurant

- Full Service Motel
- Has 38kW Total Installed
- Cost Installed ~ \$8.528
- Savings ~ \$2,853 / year
- Simple Payback of ~ 2.9 years





Single Family Dwelling

- ~ 1600 square foot home
- Has 28kW total Installed
- Cost Installed ~ \$8,206
- Savings ~ \$1,450 / year
- Simple Payback of ~ 5.6 years





Customer Web Portal







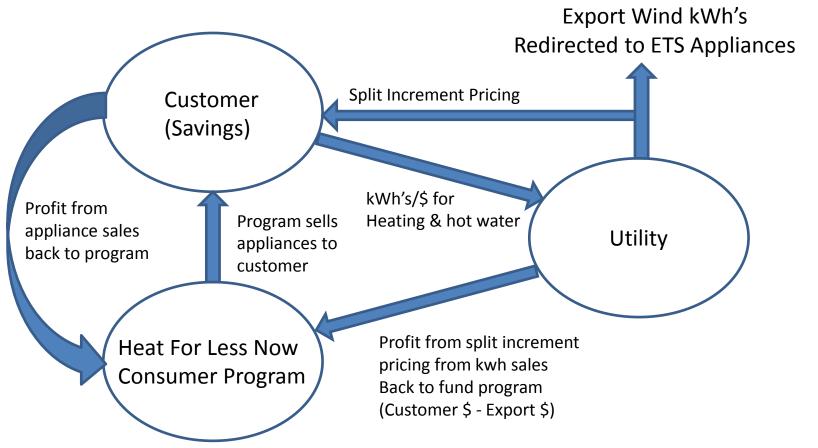
My Power Net Engagement

- 5 year or less payback (ROI >20%)
- Convenient and comfortable (no life style change)
- Greener / environmentally friendly
- Increased disposable income
- Electricity Conservation/Information





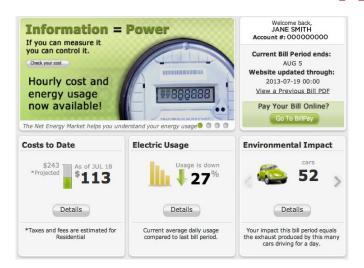
My Power Net Financial Structure

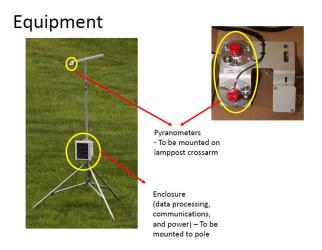


Key Point: Profit from appliance sales and profit from split increment pricing pays for Operating and Capital Investments in program and communications construction. Those customers participating in program do not cause rate increase pressures on those not participating. (As more kWh's sell more to invest)



Research









Summerside
Prince Edward Island, Canada

What's Next for the City of Summerside





Continue to Try and You Will Succeed Small City. Big Spirit

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