



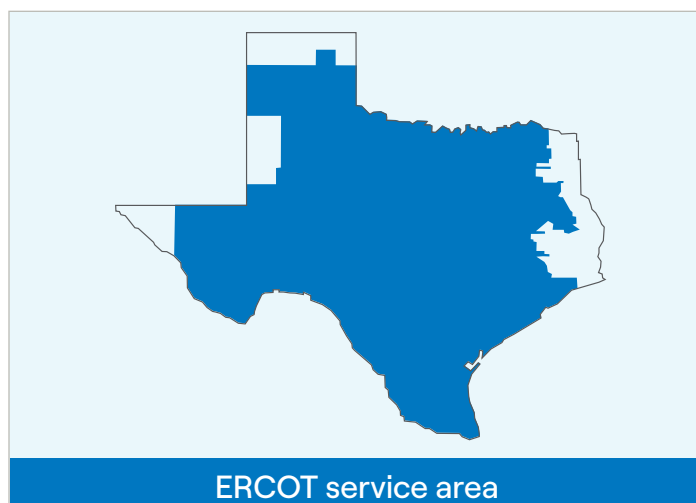
Earn revenue and protect your equipment in the ERCOT Contingency Reserve Service (ECRS) program

The Electric Reliability Council of Texas (ERCOT) introduced the ERCOT Contingency Reserve Service (ECRS) program as an ancillary offering in addition to Responsive Reserve Service (RRS) to help maintain grid security and reliability. Similar to RRS, ECRS alleviates the potential for blackouts by delivering real-time capacity resources to balance the grid. However, ECRS has more frequent and longer duration dispatches to handle the ramping periods of intermittent generation resources and any other shortages in grid capacity due to forecast errors – making automated methods of curtailment a must.

Businesses that are qualified to provide capacity as an ancillary service in the ERCOT market are known as Load Resources (LR). In return, they can earn considerable payments for their flexibility while protecting equipment at their site from decaying grid frequencies. LRs earn payments regardless of whether their load is dispatched, as long as their load is available for the full duration of their commitment.

ECRS overview

| | |
|------------------------------|---|
| Program period | Year-round, 24x7; Hourly offers are set day-ahead |
| Payments | \$50,000–\$100,000+ / MW-year for 24x7 participation |
| Dispatch duration | No maximum, typically 2-hour events |
| Dispatch notification | 10 minutes |



Who can participate?

Businesses with stable and predictable load profiles that can safely curtail automatically and instantaneously make great LR candidates for ECRS. To maximize earnings, LRs must have a predictable load pattern that Enel can reliably estimate one day in advance.

Due to the frequency of events and short dispatch notification window – LRs must reduce their demand within seconds/minutes – a fully automated curtailment method is required for participation. Appropriate automation methods include a building management system (BMS), an EPA-compliant behind-the-meter backup generator, or a programmable logic controller (PLC). An under frequency relay (UFR), while beneficial, is not required.

How does our business benefit?

Maximize payments to your bottom line

Enel will work with you to establish your earnings potential based on your specific participation plan including the load and the total hours you commit. ECRS pricing expectations today range from \$50,000–\$100,000/MW-year, depending on ERCOT grid conditions.

Get paid to protect valuable equipment

Decaying frequencies can have detrimental effects to the equipment at your site. The ECRS program provides frequency protection to the ERCOT grid and will also prevent costly damage to your processes and equipment resulting from a power trip. In essence, you are paid to protect your operations.

How do we participate?

Enel makes participation easy. We take care of the complex details so you can stay focused on running your business.

To enable your participation in the ECRS program:

1. We will register your facility as a Load Resource with ERCOT.
2. We will work with you to install telemetry as required by ERCOT that will stream to the system operators in real-time (every two seconds).
3. We will work with you to determine the best form of automated curtailment for your business, by either using an existing UFR, BMS, generator, or PLC – or helping you install new automation assets with no upfront costs. We'll also help you ensure all assets are compliant.
4. Our team of experts will work with you to identify curtailable load and build a custom bidding strategy that maximizes your earnings without jeopardizing your operations.

Your ECRS bidding strategy will have two components:

1. Day-ahead:

Enel will develop proposed hourly offers (load and price) for your site to bid into the day-ahead market, giving you the opportunity to confirm or update before any action is taken.

- Notify Enel of any operational load changes by 9:00 AM CPT for the day-ahead schedule.
- Enel will bid your offers into the day-ahead market for ECRS at 10:00 AM CPT.
- ERCOT typically publishes clearing results (your final commitment) by 1:30 PM CPT. Once an LR is committed to the ECRS market, it cannot commit to any other demand response participation for that day.

2. Day-of:

Ensure the load at your facility remains within 95% – 150% of your offered MW value. This is critical to remain in compliance with ERCOT. Your payments are based on your load availability, regardless of a dispatch.

What triggers a dispatch?

There are two scenarios for LR to be dispatched in the ECRS program:

- 1. ERCOT-deployed event.** Should ERCOT experience reserve shortages or another grid emergency, LR are required to curtail grid usage within 10 minutes of the dispatch.
- 2. Frequency drops below 59.7 Hz (if using UFR as means of curtailment).** Power can be interrupted automatically and instantaneously when this condition occurs through the use of the UFR.

What happens if we cannot meet our commitment?

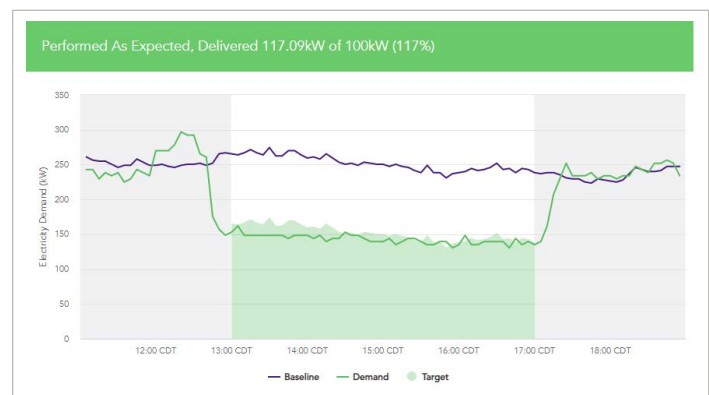
Customers will never pay out-of-pocket penalties for under-performance in an ECRS dispatch. If you anticipate any outages in your normal schedule, notify Enel immediately at ERCOTLRSupport.EnelXus@enel.com or +1 888 363 7662 no later than 9:00 AM CPT the day prior to the outage to prevent a reduction in your ECRS payment.

What are the costs to participate?

Enel pays upfront for all metering equipment, controls, and connectivity fees associated with enrolling your site in the ECRS program that are then recouped through your future demand response earnings.

How do we sign up?

Our experts are standing by to speak with you about your organization's demand response opportunity. Submit your information [here](#) to get started.



Enel provides on-demand access to your real-time energy data – giving you the information you need to perform your best during demand response events and to better manage overall energy costs.