



Corporate Overview
EnergyWindow, Inc.
Boulder, Colo.
(www.energywindow.com)

Introduction and Industry Overview

Energy costs rank surprisingly high among business costs (as high as third for many businesses), according to many facility, energy and procurement managers in EnergyWindow's roster of large retail clients. And, because energy costs fluctuate widely, the relative impact on a business' bottom line can be significant.

In addition, energy procurement and energy supply management are difficult and demanding tasks for a variety of reasons. One, regional, state, and local distribution territory markets vary greatly. Two, prices are volatile and shift seasonally. Three, energy suppliers and their offerings vary by region. Four, regulations and rules differ significantly by state and local distribution territory. Finally, energy prices are expected to remain volatile and, over time, actually decrease.

For businesses with many facilities in many states, it literally is a mind-boggling task to sift through the variety of pricing options, regulations and changing market conditions that affect each facility differently. In addition, energy management is not a core competence for many companies; consequently, it is very often a part-time responsibility. Even companies with energy management departments find the challenges daunting.

This complex scenario presents businesses with tremendous energy management challenges – yet it also offers opportunities for energy buyers to manage energy costs to their advantage and for energy suppliers to increase their market share. But both buyers and suppliers need better information in order to find opportunities, make decisions and manage risk.

Buyers need solid energy management strategies and straightforward processes to help them choose energy sources wisely. Suppliers need simple, cost-effective ways to present their offerings competitively and to acquire customers cost effectively. The opportunities and challenges of energy supply management and procurement exist both in regulated and deregulated (competitive) markets, but they are both more substantial in competitive markets.

EnergyWindow Founded To Address Energy Industry Complexities

EnergyWindow[®] was founded in 1999, and it serves two distinct groups. First and foremost, EnergyWindow is the energy buyer's ally, providing technology and services that reduce the cost, risk and complexity of energy supply management. EnergyWindow also supports energy suppliers by providing a conduit to high-quality, pre-screened entities that purchase large quantities of gas and electricity.

Simply put, EnergyWindow provides energy users and their suppliers with high quality, accurate information and a marketplace where they can come together and easily do business with one another. The company received its first round of funding from Altira Group in 2003. Since its inception, EnergyWindow has saved its customers \$70 million on \$425 million in energy costs.

A Look at EnergyWindow's Products and Services

EnergyWindow offers four key areas of products and services. They include:

- **The EnergyWindow PowerQuote™ Energy Sourcing Tool** – This automated, online system helps energy buyers identify and select quality energy supply sources via an open-book, objective, Web-based procurement process. The PowerQuote™ tool quickly creates accurate, needs-based requests for quotation, solicits competitive bids from multiple, qualified energy suppliers, and identifies the best supplier with which to contract. It is based upon reverse auction technology.

Editor's Note: Today, most energy supply request for proposal (RFQ) processes are manual, paper-based and extremely inefficient. With deregulation and an increasing number of suppliers bidding, an already complicated process becomes even more complex and time-consuming. As a result of the rigors of a manual process, many large energy users opt for their incumbent supplier by default and, thus, don't achieve the savings that can be gained from a competitive bidding process. By using EnergyWindow's tools, buyers can not only minimize intensive paperwork but can navigate through a complex bidding process more quickly and easily, and seize emerging market opportunities with a speed and agility that would be impossible to attain using a manual, paper-based process.

- **Decision Support Tools** – The EnergyWindow PowerScape® energy market knowledgebase is a real-time, dynamic, Web-based product that provides buyers with insight into current and anticipated market activity, distribution territories, active suppliers, distribution territory rules and regulations, and supplier-specific offerings. The EnergyWindow Web site also offers daily energy prices, future price indices, energy news, energy-related securities news, and more.
- **Performance Management** – The EnergyWindow PowerMonitor® Energy Performance Management Information System helps energy managers improve their energy management programs. This information system is designed to track a company's energy usage by facility, set benchmarks by which facilities can be measured, and alert energy managers when specific facilities are outside the norm. This tracking capability allows energy managers to take appropriate measures to bring an underperforming facility's energy usage back in line with accepted company standards and to monitor supplier performance.
- **EnergyWindow Energy Management Consulting** – EnergyWindow's team of experienced, energy industry veterans offers consulting services using the proprietary PowerStrategy® energy management planning process. Specifically, the company offers assessments of current energy management programs, benchmarking and action plans for improved performance or cost savings, and strategic and tactical recommendations designed to achieve newly set energy management goals.

Market Size

Total energy (electricity and natural gas) end use costs in North America total approximately \$400 billion annually; approximately \$230 billion is spent by businesses on energy each year, according to the U.S. Dept. of Energy's Energy Information Administration data.

Vertical Markets

EnergyWindow's products and services are aimed directly at businesses with multiple facilities and significant gas and electricity usage. Any business that fits this description is a good candidate for EnergyWindow's products and services. However, the following vertical markets are particularly appropriate:

- Retail chains
- Shopping centers
- Restaurant chains
- Grocery store chains
- Hotel chains

Partnerships

- **Altira Group LLC** (www.altiragroup.com) -- Altira Group provided EnergyWindow's first round of funding in 2003 and an additional round in late 2004.
- **Worldwide Retail Exchange (WWRE)**, (www.wwre.org) -- This worldwide, Internet-based exchange, developed by a consortium of 64 large retail chains, announced a strategic alliance with EnergyWindow in October 2003, in which EnergyWindow will provide its products and services to WWRE members. Initially, WWRE members will use EnergyWindow's online request for bid energy sourcing tool for procurement of energy. Ultimately, EnergyWindow will assist the WWRE in using its own proprietary bid system to procure energy for lower prices in deregulated energy markets.

Results/Milestones

- Surpassed two billion kilowatt hours (kWh) in energy requests successfully closed in January 2005
- Produced \$70 million of savings based on \$425 million of energy costs by March 2006
- Became active in essentially every competitive electricity market in the United States
- Virtually every competitive energy provider in the United States is now registered with EnergyWindow
- Helped more than 90 national companies – more than half in the Fortune 1000 – identify energy cost savings or develop overall management strategies
- Provided input and direction competitive market development in newly deregulating states.

Management

- Dr. Jack Mason, President
- Dr. Mike Usrey, Vice President and Chief Technology Officer
- Chris Wiederspahn, Vice President Business Development
- Christa Lassen-Vogel, Director of Marketing
- Joan Wright, Vice President Finance and Administration
- Peter Edwards, Partner, Altira Group – EnergyWindow Director

The EnergyWindow Advisory Team

- Earl McLaughlin – Energy industry veteran
- Larry Fenster – Energy company investor and former chief executive of an energy management firm
- Wayne Greenberg – Former president of an international research publishing and consulting firm specializing in energy markets, power technologies and utility industry business issues

Contact Information

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