



Frequently Asked Questions

What does EnergyWindow® do?

We help companies procure and manage energy supply in virtually every competitive energy market in the U.S., via an online reverse auction (PowerQuote™ energy sourcing tool), information technology products and consulting services.

How did the company get started?

The company was founded in 1999 for the purpose of addressing the very specific challenges that companies, particularly those that have significant energy spend and multiple facilities, face in managing their energy supply.

Who are the people behind EnergyWindow?

A team of seasoned professionals who possess expertise in the energy industry, technology and commodities trading are behind EnergyWindow's success. Two of the founders, Dr. Jack Mason (energy industry consultant) and Dr. Mike Usrey (technology professional, instructor and entrepreneur) form the backbone of the company. A third founder, Kelly Murphy (commodities trading executive) lent market insight during the company's formative phase. Chris Wiederspahn (retail energy market expert) rounds out the core management group. A strong advisory board comprised of energy industry veterans and venture capitalists including Peter Edwards, a partner with investor, Altira Group, LLC, provides valuable insight into market needs and additional intellectual firepower.

Who are your customers?

Businesses with multiple facilities and a significant gas and electricity spend. These companies often come from industries where margins are tight and savings of several hundred thousand dollars have a significant positive impact. EnergyWindow customers are forward-thinkers, committed to using technology to improve operations and gain competitive advantage. They come from vertical markets including retail, restaurant and hospitality, grocery, manufacturing, and the public sector. EnergyWindow works with more than 90 nationally known companies, more than half of them in the Fortune 1000.

What are some of the challenges facing large, commercial energy consumers?

Energy supply represents a huge portion of operational costs for large companies that have multiple facilities. Gas and electricity prices are extremely volatile and recently, price trends are defying historical predictive models. The bidding process for obtaining competitively priced energy supply is very complex and time-consuming. Energy industry expertise, intimate knowledge of current and emerging markets and an efficient process are necessary to procure energy effectively in deregulated markets. Many businesses find it difficult and/or costly to devote sufficient resources to energy procurement without the assistance of technology that can accelerate and automate the process.

How does EnergyWindow make money?

The online energy sourcing tool requires the winning bidder (supplier) to pay EnergyWindow a small percentage of the total transaction value. There is no out-of-pocket cost to energy buyers. In addition to fees generated by the PowerQuote™ energy sourcing tool, EnergyWindow offers fee-based consulting, information management services and subscription-based decision support tools like the PowerScape® energy market knowledgebase.

Nothing is ever free. How can you say that buyers pay nothing out-of-pocket?

It's true. Buyers like the EnergyWindow energy procurement system because there is no out-of-pocket charge to them and they are able to obtain the lowest possible bid from suppliers. Suppliers are happy to pay to use our system, because the fee is one of the lowest in the industry and because EnergyWindow saves them time and effort by bringing high-quality new business directly to their doorstep. From the buyers' perspective, the fee represents a small fraction of their savings. The fee-based system is completely transparent to all parties and truly represents a win-win outcome.

How does the PowerQuote™ energy sourcing tool work?

The tool uses a reverse auction process and is simple and easy to use. Energy buyers create RFQs using EnergyWindow's "wizard" to guide them through the system or by bypassing the wizard and using more advanced functions. EnergyWindow can also develop RFQs for customers who prefer not to do it themselves. Throughout the process, buyers and suppliers negotiate with one another directly.

- Buyers set criteria for the RFQ
- Electronic interfaces can quickly acquire and format required energy usage data
- Pre-qualified suppliers are notified that RFQs have been posted
- System automatically conducts the bidding process
- System automatically identifies the best deals based on the customer's criteria, including cost, contract terms, preferred suppliers, etc.
- System closes the deal between a buyer and supplier in less than a third of the time and less than 1% of the effort it would take to do it manually*

How does EnergyWindow qualify energy suppliers?

Suppliers are pre-screened for state licenses, financial viability and good standing with state regulatory agencies. This information can be accessed by buyers who post RFQs and helps inform the selection of suppliers invited to bid.

What safety measures are in place if a buyer or supplier doesn't honor its commitment?

If a supplier's winning bid meets the buyer's requirements, the EnergyWindow member agreement requires that both parties negotiate in good faith. In addition, buyers have several methods of recourse and substantial leverage with suppliers to ensure they bid and hold their most competitive price.

How do you secure the Web site and the online request/bid process?

- Secure Socket Layer (SSL) and Secure Shell (SSH) technologies to encrypt transactions, technical and administrative interactions, and communications
- Industry standard practices to protect privacy
- Virus scans on all external files coming into our system

- Intrusion detection system
- System redundancy

What is EnergyWindow's financial status?

The company has been privately funded since 1999. Altira Group provided the first round of venture capital funding in 2003 and provided an additional infusion of cash, based on the company's positive performance, in late 2004.

What is EnergyWindow's revenue to date?

Being a private company, EnergyWindow declines to reveal financial specifics. Operations have performed roughly at break-even and revenues have approximately doubled every year since 2001. Transaction volume (measured in dollars) increased by a factor of ten between 2003 and 2004. More than two billion kilowatt hours (kWh) of electricity energy supply have been procured via EnergyWindow's online energy procurement system. The company's customers have saved in excess of \$70 million on more than \$420 million in energy supply costs.

Do you plan to take the company public?

EnergyWindow can't rule out a public offering, and a merger with a strategic partner is always a possibility; however, the company's primary goal is to focus on growing the company by creating value for customers, employees and stakeholders.

What are EnergyWindow's plans for the future?

The company strives to become the pre-eminent supplier of technology and processes for energy procurement and energy management. Efforts to leverage technology more broadly, standardize energy e-procurement and develop new products to address unmet market needs are underway. In addition, there is an ongoing commitment to developing and maintaining strong relationships with large, high-quality business energy buyers and nurturing relationships with high-quality, customer-focused energy suppliers.

* For details on the financial returns associated with using EnergyWindow's tools for energy procurement, see "*Energy e-Procurement Offers Exceptional Financial Returns*" at <http://www.energywindow.com/press/EnergyEProcurementOffersExceptionalReturns.pdf>