



***METRUS
ENERGY***

Making Energy Efficiency a Resource

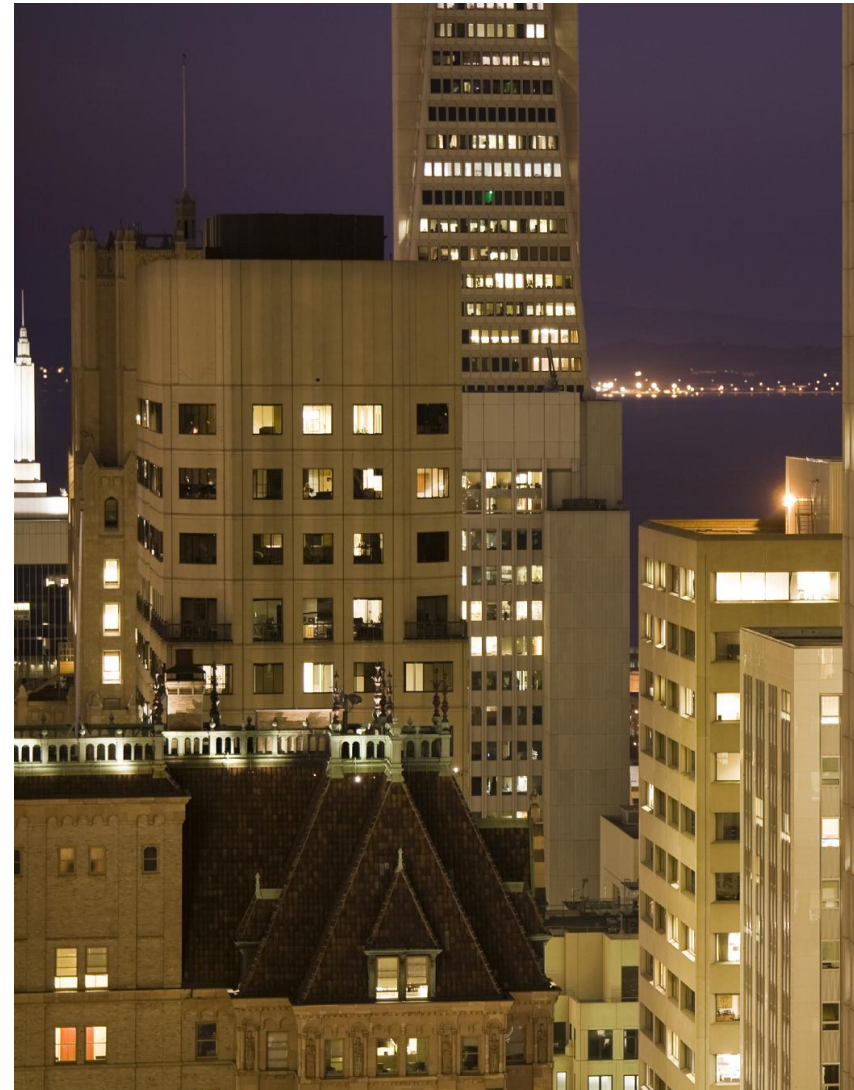
Financing Solutions for Large Industrial Customers

ACEEE EE Finance Forum - Boston, MA



Metrus Energy: Saved Is Earned

- **THE COMPANY:** Metrus Energy is a developer, owner and financier of energy efficiency retrofit projects and a pioneer in private sector energy efficiency finance
- **THE MARKET:** \$250 billion investment market over the next decade for energy efficiency projects at private sector facilities
- **THE BARRIERS:** 1) First-cost hurdles; 2) Scalability of financing solutions, 3) Market undervaluing efficiency as a resource
- **THE SOLUTION:** Metrus' Efficiency Services Agreement (ESA) is a proven solution that eliminates all upfront costs by enabling customers to pay for efficiency upgrades by redirecting their current utility spending





Metrus' Efficiency Service Agreement

Metrus' ESA eliminates upfront project costs, handles maintenance and monitoring, and functions as a dynamic energy efficiency procurement vehicle over the term of the contract

DEVELOP PROJECT

- Identify savings opportunities
- Develop entire services program
- Engage energy services partner

FUND & IMPLEMENT

- Fund 100% of project cost
- Utilize best practices
- Minimize business disruptions

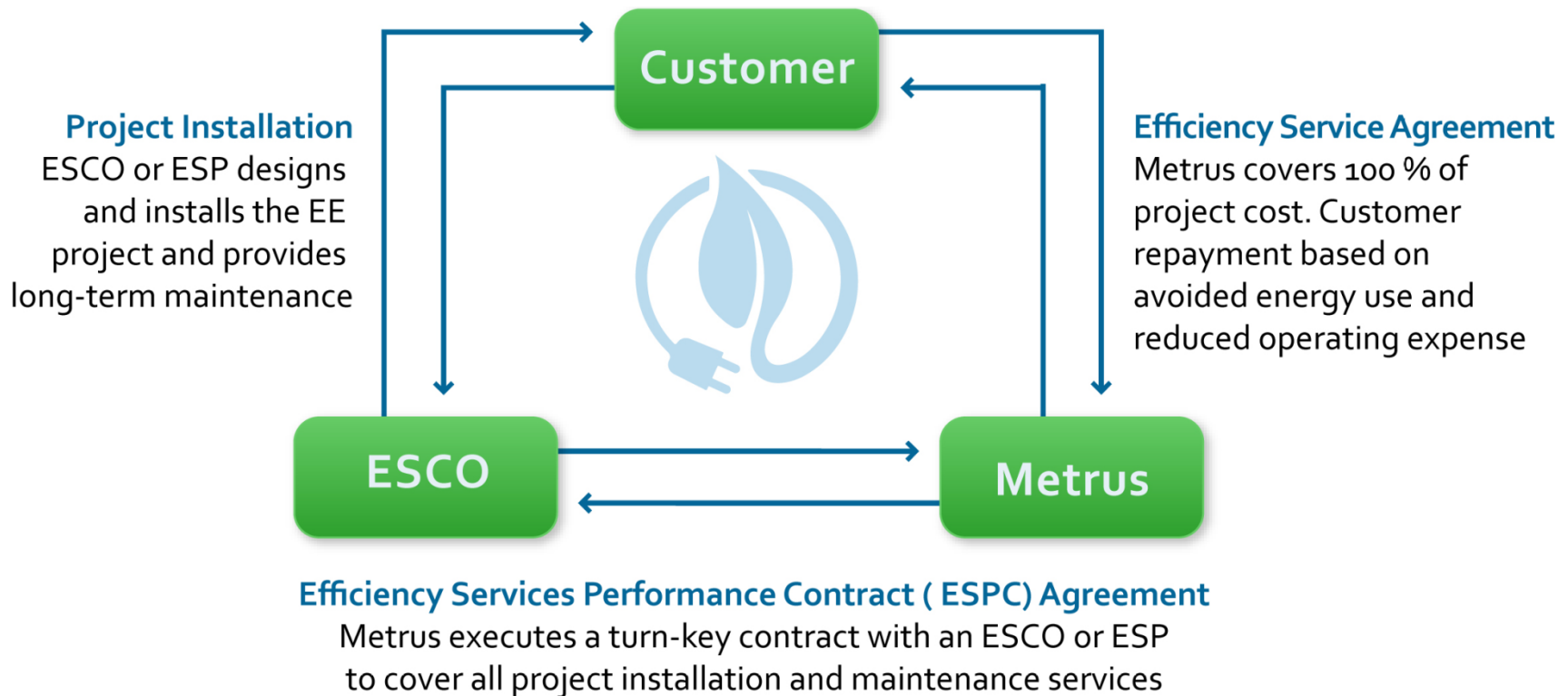
ONGOING SERVICES

- Monitor ongoing performance
- Maintain project equipment
- Identify new energy savings



Metrus' Efficiency Service Agreement

Metrus' ESA structure turns efficiency into a resource by removing all first-cost barriers and charging only for realized energy savings





Typical Project Profile & Scope



Typical Project Scope

- Building automation & controls
- Lighting retrofits & controls
- Compressed air (leak detection & repair)
- Heating, ventilation, & air conditioning
- Chiller replacement & system improvements
- Boiler replacement & system improvements
- Pumps, fans, motors, drives
- Cogeneration

Typical Project Profile

- Private sector commercial, industrial, healthcare and higher education
- Multiple energy efficiency measures are blended into single project scope of work
- Total project size is typically \$1-5 million
- Average simple payback on a project is usually between 3 and 7 years
- Project term is typically 7 to 10 years



Value Proposition

Benefit	Description
Avoid Capital Outlay	Metrus pays for all design and implementation costs, enabling customers to conserve capital for core business investments
Use Savings to Pay for the Project	ESA service payments are based solely on the realized energy and operational savings created by the project
Reduce Operating Expenses	ESA service payments are set below the current utility price, which immediately improve the bottom line
Enhance Reliability of Operations	Under the terms of the ESA, Metrus pays for periodic maintenance services to ensure long-term reliability and performance of the project equipment
ESA Payments are an Operating Expense	The ESA is designed to be an off-balance sheet financing solution with regular payments similar to a standard utility bill
Reduce Exposure to Utility Uncertainty	During the term of the ESA, service payments escalate at a fixed annual rate below historical utility price increases
Expand Feasible Project Scope	By circumventing the traditional capital budgeting process, Metrus unlocks longer (3+ year simple payback) projects with higher upfront costs and deeper operational benefits



Customer Case Study: **BAE SYSTEMS**

Metrus Energy has developed and financed approximately \$8 million in energy efficiency improvements for global aerospace and defense contractor BAE Systems as a part of ongoing multi-facility energy efficiency initiative.

	Merrimack, NH	Greenlawn, NY	Nashua, NH	NH Headquarters
Facility	<ul style="list-style-type: none"> 467,000 ft² mixed-use office, manufacturing, environmental testing 	<ul style="list-style-type: none"> 492,000 ft² mixed-use office, manufacturing, environmental testing 	<ul style="list-style-type: none"> 686,000 ft² mixed-use office, manufacturing, environmental testing 	<ul style="list-style-type: none"> 509,000 ft² mixed-use office, manufacturing, environmental testing
Project Scope	<ul style="list-style-type: none"> Lighting Retrofits Building Automation Air Compressor Replacement Transformer Replacement Demand Control Ventilation Operational Best Practices 	<ul style="list-style-type: none"> Lighting Retrofits Building Automation Boiler & Chiller Replacement Demand Control Ventilation Variable Frequency Drives for AHU & Water Pumps 	<ul style="list-style-type: none"> Lighting Retrofits Boiler Plant Improvements VAV & Control Upgrades Energy Policy Building Envelope 	<ul style="list-style-type: none"> Lighting Retrofits Boiler Replacements Variable Frequency Drives & Motors Energy Policy Building Envelope
Project Cost	<ul style="list-style-type: none"> ~ \$1.0 million 	<ul style="list-style-type: none"> ~ \$2.2 million 	<ul style="list-style-type: none"> ~ \$2.3 million 	<ul style="list-style-type: none"> ~ \$2.2 million
Annual Savings	<ul style="list-style-type: none"> > \$200,000 in Utility Savings > 1.1 million kWh of Electricity > 31,000 therms of Natural Gas Various Non-Energy Operational Savings ~ 400 tons of CO₂ 	<ul style="list-style-type: none"> Total Expected Annual Savings > \$300,000 > 300,000 kWh of Electricity > 125,000 therms of Natural Gas Various Non-Energy Operational Savings ~ 800 tons of CO₂ 	<ul style="list-style-type: none"> Total Expected Annual Savings > \$310,000 > 700,000 kWh of Electricity > 125,000 gals Fuel Oil Various Non-Energy Operational Savings ~ 950 tons of CO₂ 	<ul style="list-style-type: none"> Total Expected Annual Savings > \$310,000 > 875,000 kWh of Electricity > 135,000 gals Fuel Oil Various Non-Energy Operational Savings ~ 1,150 tons of CO₂
Term	<ul style="list-style-type: none"> Simple Payback: > 5 years ESA Term: 10 Years 	<ul style="list-style-type: none"> Simple Payback: > 7 years ESA Term: 11 Years 	<ul style="list-style-type: none"> Simple Payback: >6 years ESA Term: 10 Years 	<ul style="list-style-type: none"> Simple Payback: >6 years ESA Term: 10 Years
Ongoing Services Provided	<ul style="list-style-type: none"> Metrus covers over \$60,000 in annual project O&M and M&V services 	<ul style="list-style-type: none"> Metrus covers over \$35,000 in annual project O&M and M&V services 	<ul style="list-style-type: none"> Metrus covers over \$37,000 in annual project O&M and M&V services 	<ul style="list-style-type: none"> Metrus covers over \$50,000 in annual project O&M and M&V services



Contact Information

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