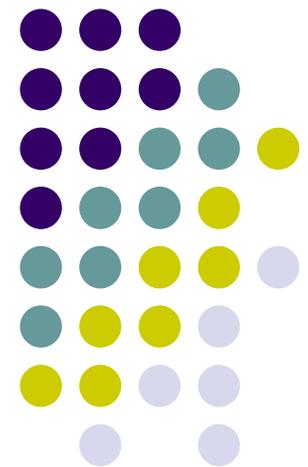


Energy Efficiency and Large Energy Users in Illinois

Experience and Impact from these programs from customer perspective. FutureMark Paper

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Manager Utility Services





Who is FutureMark?

- <http://www.futuremarkpaper.com/multimedia.html?show=39>
- We sell sustainability to Fortune 500 Companies who use paper
- Our paper mill uses 60% of the energy of normal paper mill
- Our whole business is focused on energy savings and carbon footprint
- Our customers are Sustainability Leaders in their industries
- FutureMark manufactures high-quality, responsibly made recycled paper for books, magazines, catalogs, as well as for commercial printing and packaging applications.
- Our printing and packaging papers contain the highest recycled content for products of their type made in North America.
- 161 employees at our Alsip Il location.
- 120,000 tons recycled waste paper in 2012.
- 156,000 tons saleable paper produced in 2012.
- We've been a large industrial electricity user since 1967



Our Products are Eco-Friendly

Our Products Save Trees, Energy, Water and GHG Emissions*

- Save over 4 million trees from being harvested
- Require 1/3 less energy and water to produce a ton of paper
- Save enough energy each year to power 30,000 homes
- Reduce GHG emissions, equivalent to removing 60,000 cars from the road each year

- On our own we've invested.....
 - \$200M Capital Investment in 2000
 - \$110M of the \$200M used to build the "Best in Class" deinking fiber system in North America.

* Compared to conventional, non-recycled papers. Environmental impact estimates above are derived from the Environmental Paper Network Paper Calculator Version 3.2.

Large Energy Users pay a “Tax” for Energy Efficiency Projects



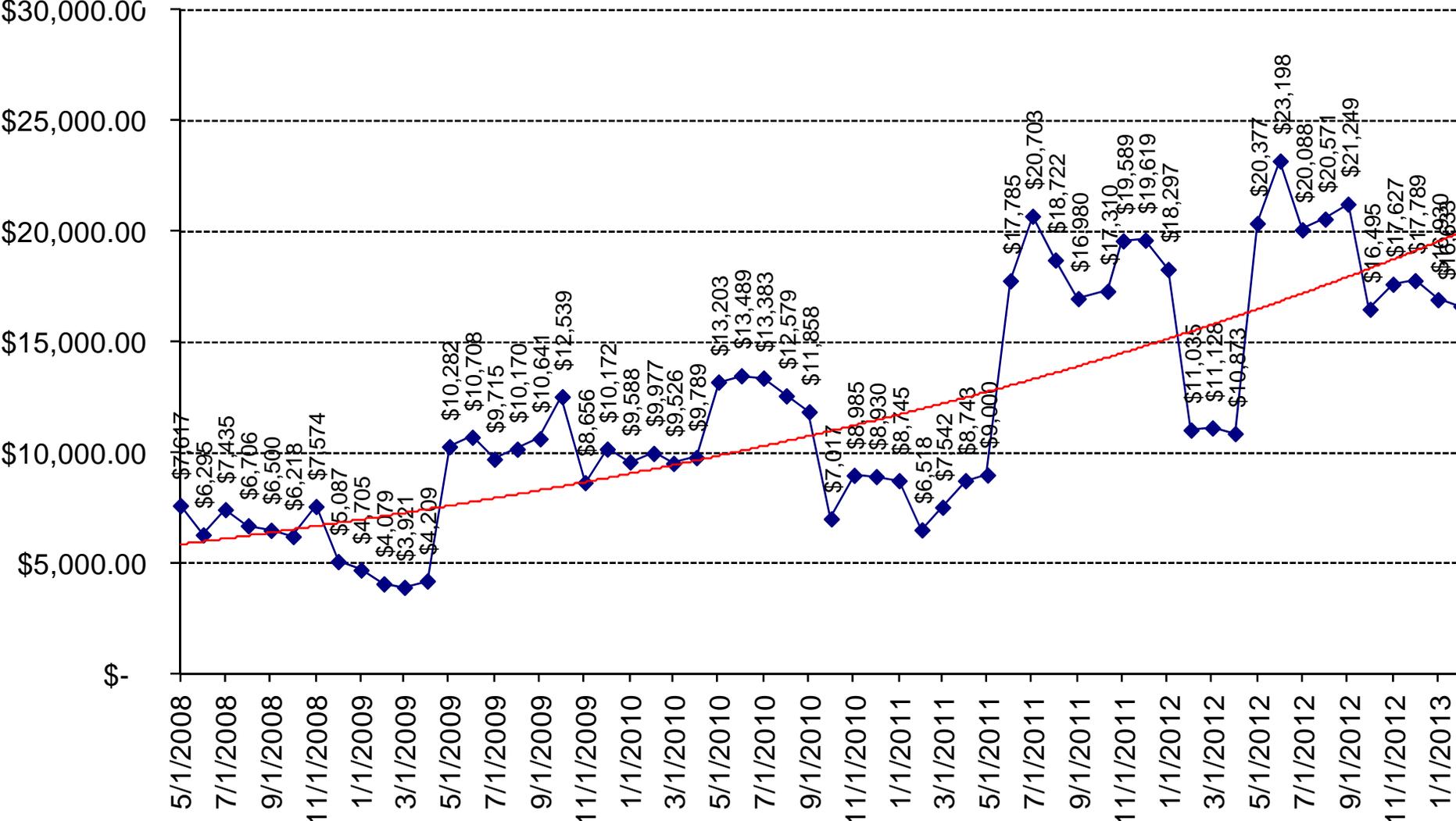
- Energy Efficiency Programs cost the large energy users a substantial amount of money each month.
- Under current Programs, large energy users are required to spend 2-3x more money to make investments that have long paybacks.
- Margins are thin and capital costs are high in the Paper Industry – other large energy users face similar challenges.
- Energy savings projects of the scale proposed by ComEd can interrupt our customer service for extended periods.
- We need the ability to self-direct the money going into the “Tax” to make smarter investments to save energy.

The Large Energy Customer Experience



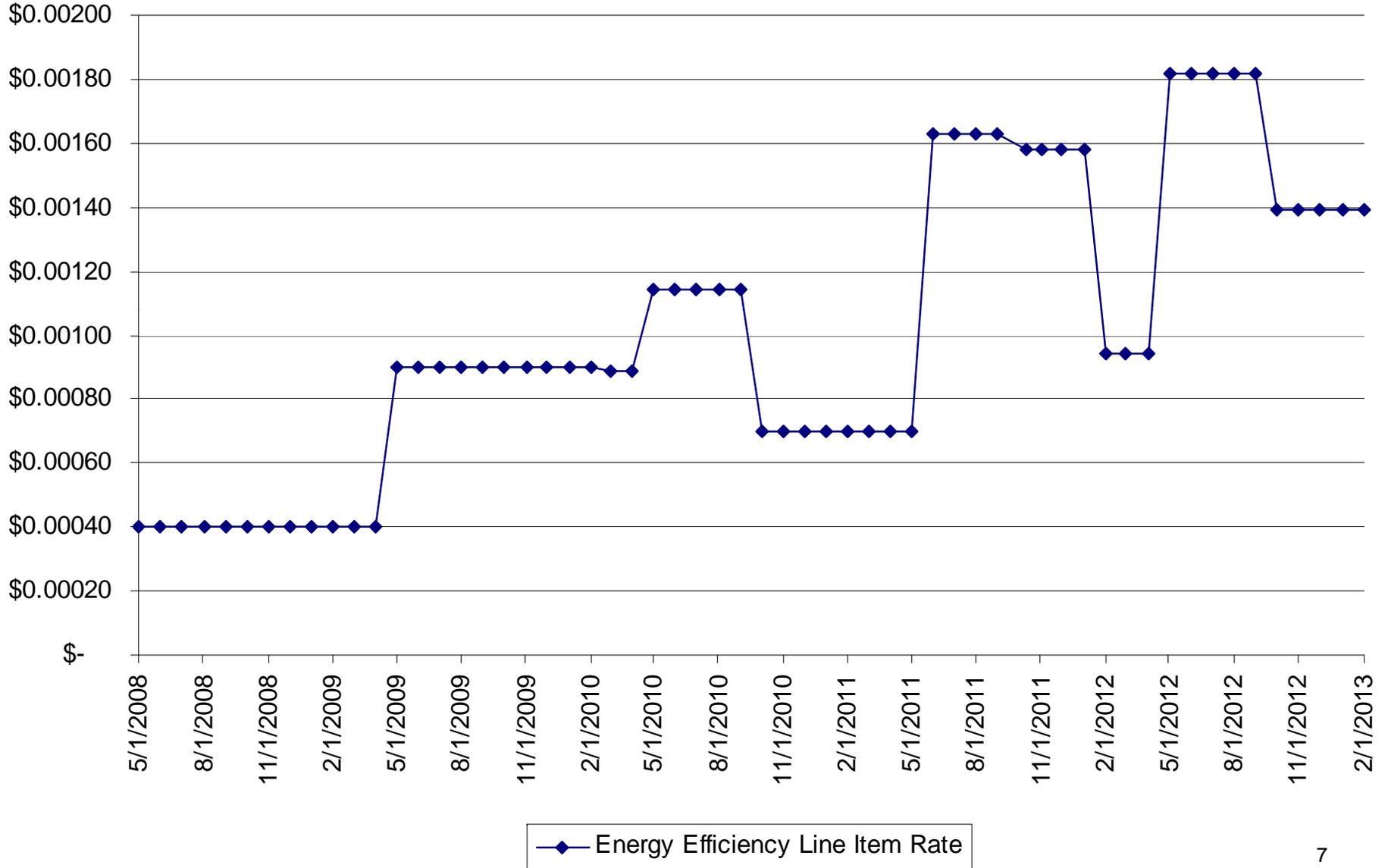
- Electricity Program as written and administered benefits:
 - Consultants,
 - Lighting manufacturers, lighting equipment distributors and
 - Installers.
- Current Energy Programs DO NOT benefit the large energy users who pay the “tax,” because lighting is a small part of our energy costs.

The "TAX" keeps going up with no Impact on Energy Reduction or Efficiency

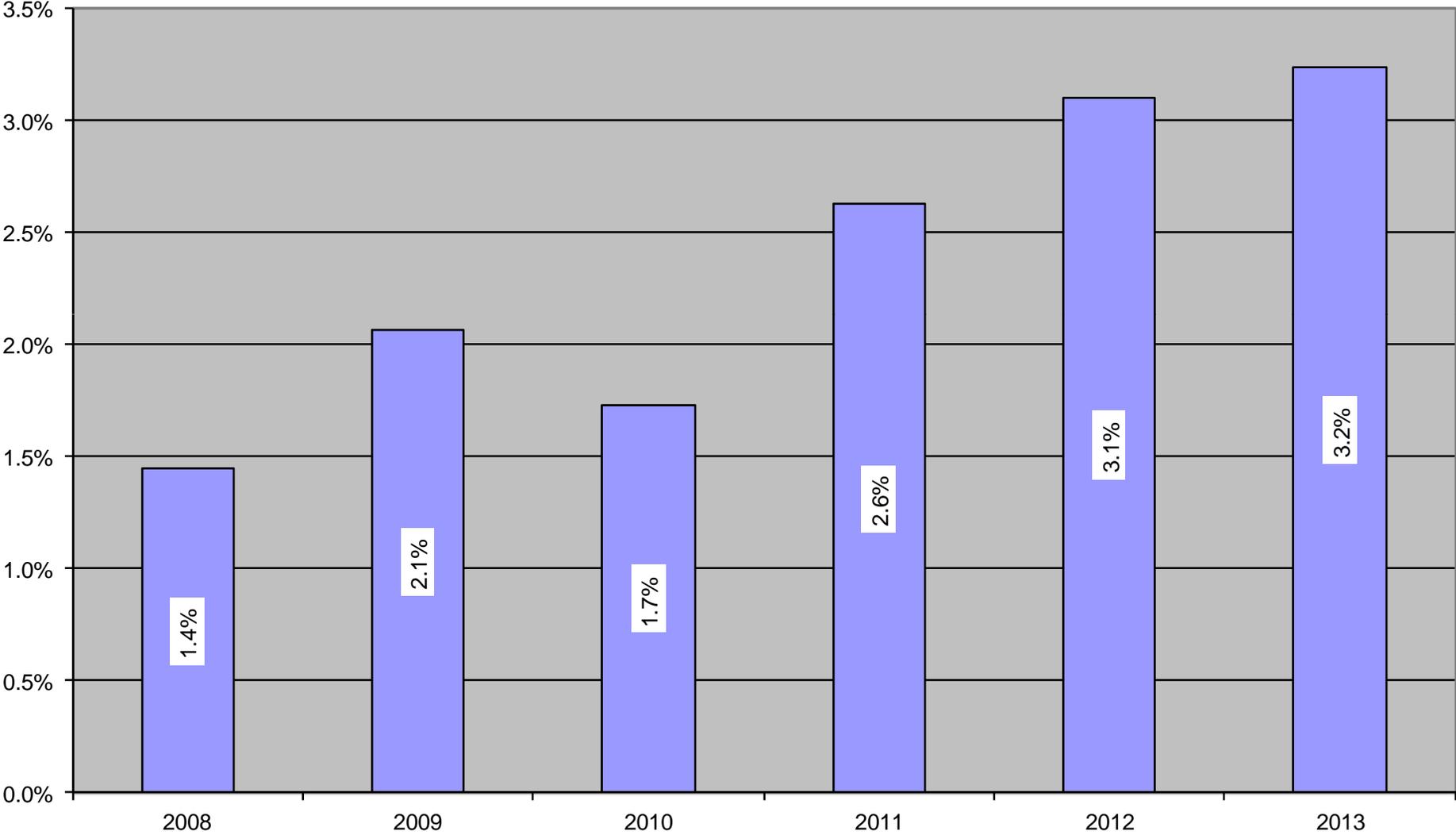


◆ Energy Efficiency Program Line Item Charge

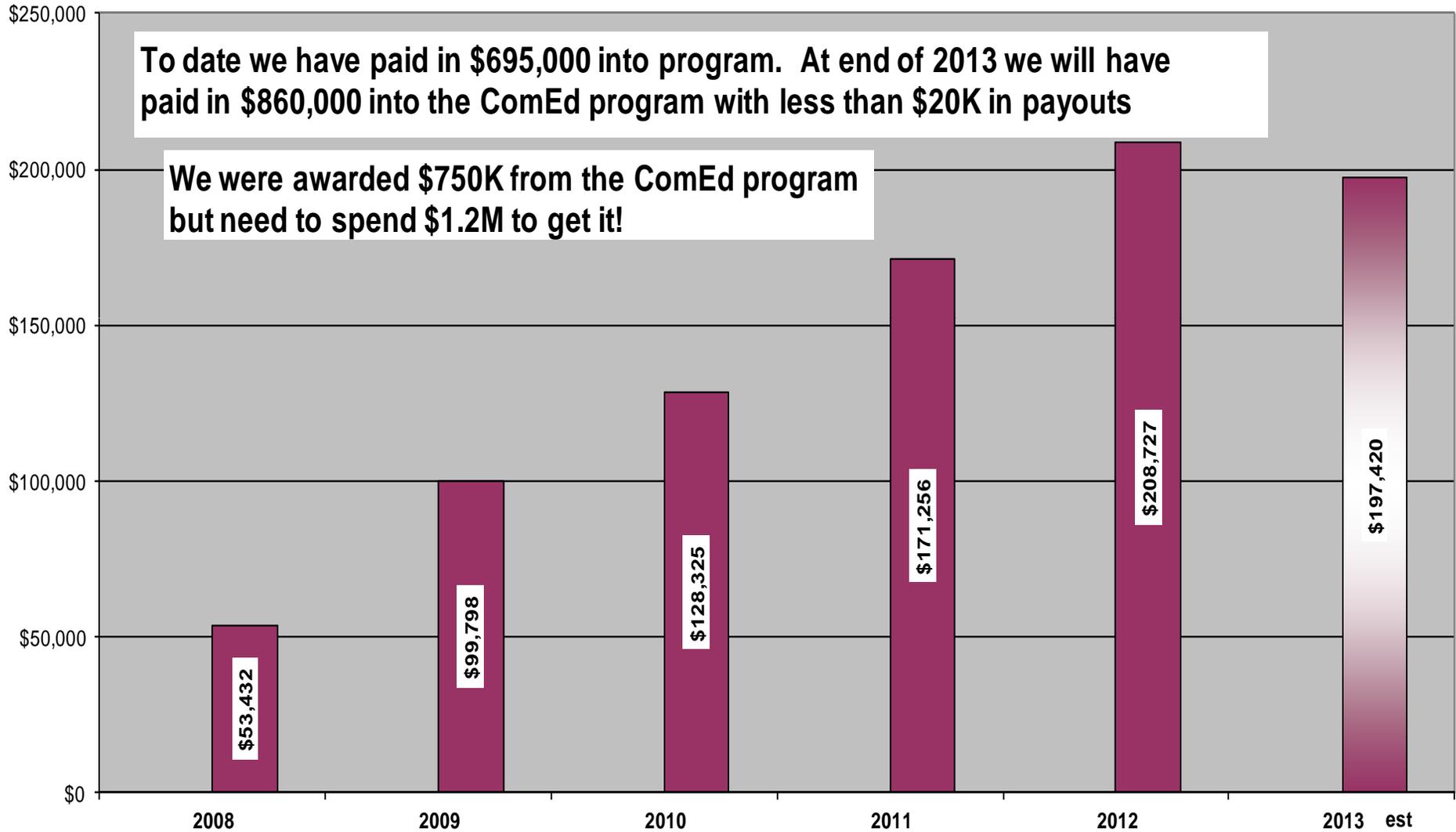
Rate Changes to program that affect the monthly charge



ComEd Energy Efficiency Charge % of Total Electricity Costs



This is just one large industrial customer in Illinois



Tally it up!

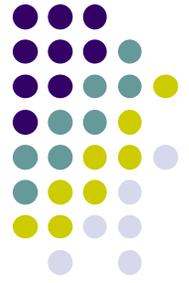


By the end of 2013 FutureMark Paper will have paid

\$1,063,261

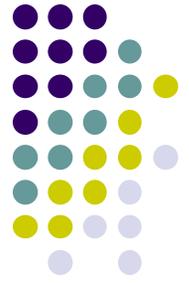
Into Combined Energy Efficiency Programs!

Large Energy User Perspective



- We “own” a large part of these programs, since we fund them - paying huge dollars each month to support them.
- Large energy users have had little say in what works for us.
- Illinois utilities should be providing their assistance in keeping large energy users as a viable customers. **Jobs ARE at stake!**
- Trade Allies and consultants should come second and large customers should be first. ***Without us being viable they are not necessary.***
- Many large energy users are supporting the peaks in the grid demand through commitments with demand response providers.
- ***We understand protecting the grid and have proven our willingness to respond.***

Large Energy Users' Perspective



- Large energy users are the best opportunity to reduce consumption, yet face bureaucratic hurdles and carry an extreme financial burden to implement ComEd's programs.
- At FutureMark, we understand being “efficient” as it is part of why we exist as a company. Reduce-Re-use-**Recycle**.
- We need to take control of “**our own**” money and to take those steps without interruption to our normal business activities.
- The tortoise won the race!



What works?

- Natural Gas Energy Efficiency Program “Self Directing Customer” (SDC) **Simple 2 page plan.**
- Set aside in customer’s own account 2% of annual natural gas spending for both commodity and delivery of natural gas.
- Allowed to accrue up to 3 years of dollars in account.
- **SIMPLE** annual reporting requirements to list dollars spent for natural gas efficiency projects.
- This concept allows large customers to fully fund their projects from this reserve account which they can control.



Concept.....

- Large energy users to have the option to “**Opt Out**” and become self directed.
- Ideally, pool both gas program and electricity program dollars together.
- Cap the funding of the pool dollars at a fixed % of total spend on energy.
- 3 year accrual possibilities with exceptions for larger projects which face a review board for extensions beyond 3 year accrual cap.



Concept.....

- Roll out the Self Directing Customer Approach as a Pilot Program
- ComEd has experience with other Energy Efficiency Pilot Programs and has identified “building upon pilot programs” as a key plan objective (2010 Plan)
- Examples of Programs that began as “Pilots” include:
 - The Home Energy Report Pilot Program
 - The Small Business Direct Install Program
 - The Community Energy Challenge
 - The Retro-Commissioning Program

Concept.....



- Pool the large energy users facing the same hurdles within the current constraints of the programs currently in place.
- Illinois Utilities and subsequent shareholders should want **their** customers to be successful to keep them from looking elsewhere for expansion or even worse closing their facilities.
- Team Illinois vs. Team IN, Team WI, Team FL and Team TX.
- We want to **WIN** in Illinois!



Thank You!