

▷ OUR ADVANTAGE

At Absolute Energy Inc., we eliminate the Middle Man by licensing our clients as direct-buying members of the New York Independent System Operator (NYISO). Then, following enrollment, we carry out the day-to-day buying of power on the client's behalf.

Our proprietary Energy Management System (EMS) has been fine-tuned in the New York energy marketplace since 1997 (before the NYISO was formed). The EMS provides the following categories of service:

Direct Buying

- Modeled Forecasting
- Power Scheduling
- Market Opportunity Evaluation
- Electronic Data Interchange (EDI)
- Financial Reconciliation
- Billing to suit the Client's Internal Accounting Procedures

Risk Management

- Layered Strategy
- Use of both Commodity and Financial Contracts

Unforced Capacity Management

- Estimation of Customer Demand Reduction Capacity (UCAP)
- Bidding of Customer UCAP into the Capacity Auction
- Monitoring of Compliance

Consulting Services

- Auditing of Utility Billing
- Analysis of Load Center Data
- Customized Data Analysis and Reporting

▷ ENERGY MANAGEMENT SERVICES TEAM

Our team, assembled of seasoned professionals, has over 20 years of experience in the Energy Business. Since the inception of deregulation in New York State, we have specialized in Data Management and Energy Services that bridge the gap between IT solutions and the rules and regulations of the Energy Marketplace.

Kevin H. Schoener | Principal Energy Manager

Mr. Schoener, President of Absolute Energy, has twenty years of experience in the Electric Utility and Information Technology fields. He designed, deployed and currently oversees the maintenance of our proprietary Energy Management Computer Systems.

Todd A. Guichard | Technology Architect

Mr. Guichard, Vice-President of Absolute Energy, has 12 year's experience in systems engineering, network architecture and design of high-availability systems.

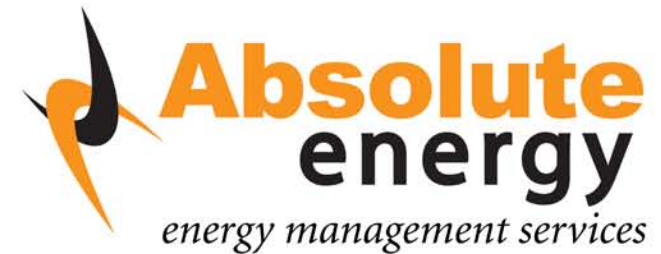
Richard L. Davis | Sales Manager

Mr. Davis has promoted Energy Services since the start of deregulation in 1997. He brings training in Economics to the task of helping industrial and institutional users of electricity to understand the deregulated marketplace.

Lisa R. Klein | Power Scheduler

Ms. Klein joined AE in 2006. She serves as Lead Project Manager responsible for Scheduling and Reconciliation as well as day-to-day communication with our enrolled clients.

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▷ PREPARATORY PHASE • • •

NYISO Customer Application

Identify and provide all forms required to obtain approval for Direct Customer status with the NYISO. Discuss the required documents with the Client's Legal and Finance Departments; act as liaison with the NYISO; oversee the completion and proper filing of required documents.

Utility Company Agreement

Identify and provide all forms required by the Utility Company to allow participation as a NYISO Direct Customer.

Customized Reporting

Design customized reports to present the Actual Costs, Avoided Costs and Net Savings in a clear, concise manner.

▷ OPERATIONAL PHASE • • •

Purchase Capacity

Implement a procedure to secure Installed Capacity (ICAP) each month. This will include bidding into the NYISO auctions (Strip, Monthly, Spot) and solicitation of ICAP proposals from other sources to ensure that the client has adequate ICAP to meet NYISO requirements.

Forecast Load

Utilize the Load Forecasting Model weekly to predict the client's aggregated load hour by hour. The forecast will be modified by localized weather conditions, current production schedules and other factors that determine energy consumption.

Purchase Energy

Communicate Load Forecasts and Energy Purchasing decisions to the NYISO in timely fashion. Do so up to two weeks in advance while maintaining the flexibility to modify decisions up to the last hour allowed by NYISO rules.

Process Utility Billing Data

Retrieve billing data from the Utility Company via EDI transactions and translate that data into a useful format. Generate a mock energy supply bill to reflect what the Client would have paid for electricity had he continued to buy the commodity itself from the utility.

Analyze NYISO Bills

Retrieve NYISO billing data and review for accuracy. Go over these bills with the client's personnel and act as go-between with the NYISO to resolve billing problems.

Purchasing Strategy Effectiveness Report

Prepare a monthly report to identify cost savings attributable to all Real Time energy purchasing decisions.

Present Savings Reports

Identify and discuss with Client personnel issues pertaining to the New York energy markets, NYISO Direct Customer status, changing utility requirements and policy changes within NYISO. Provide guidance with respect to risk management and budget forecasting.

Maintain Redundant Systems

Absolute Energy Inc. maintains redundant computer systems in Buffalo and Rochester to ensure continuous operation. In the event of a system failure at one location, our back-up system sustains all necessary functions without interruption. In the unlikely event of simultaneous failures at both locations, we have disaster recovery at a third site. This third site will be up and running within 24 hours of failure of the dual system. To further mitigate this risk, it is our practice to schedule power and to submit purchases two weeks in advance. Although caution sometimes forces us to resubmit our decisions, we feel that the extra level of security is well worth the occasional duplication of effort.

