

Capitalize on the surging demand in energy



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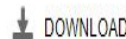
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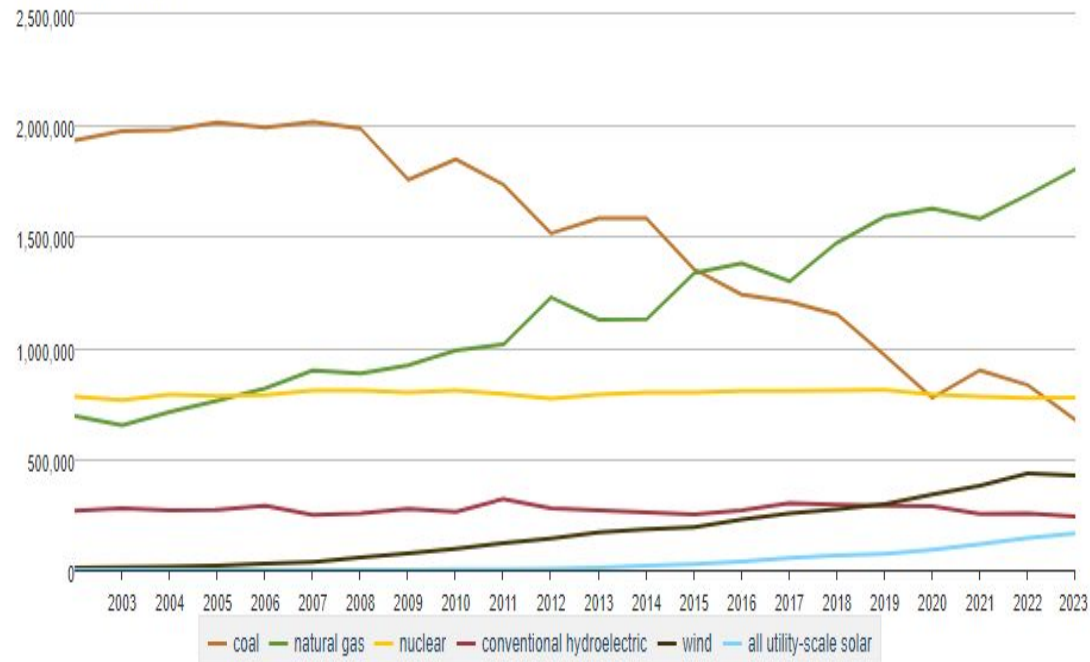
US Electricity Generation: Fuel Stack

1. Coal had been the predominant fuel source of electricity until 2016
2. Natural gas surpassed “king coal” in 2016
3. Natural gas fired generation accounts for almost 50% of all electricity produced in the US
4. Renewable Energy (solar & wind) are increasing
5. Nuclear/Hydro relatively flat

Net generation, United States, all sectors, annual



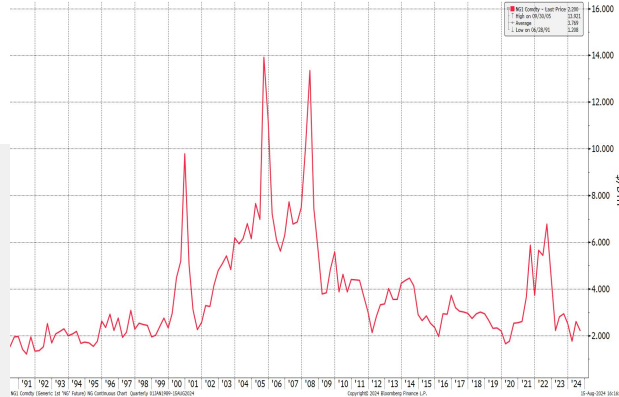
thousand megawatthours



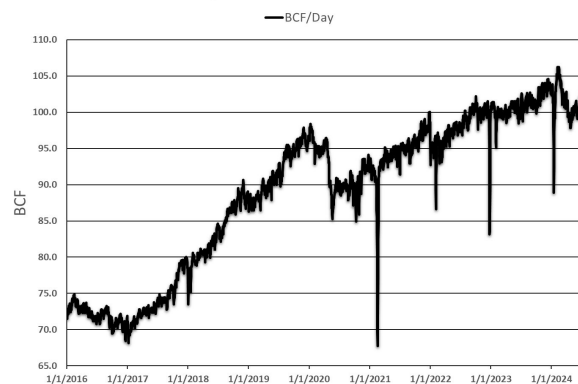
Data source: U.S. Energy Information Administration

Natural Gas in the US

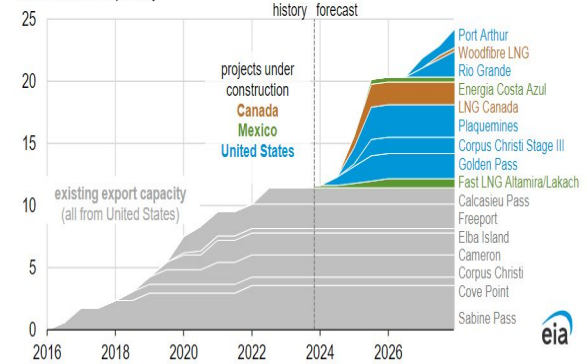
Natural Gas Continuous Chart
NYMEX Natural Gas Futures



US Daily Natural Gas Production



Annual North American liquefied natural gas export capacity by project (2016–2027)
billion cubic feet per day



Natural gas in the US is now a globally traded commodity and subject to geopolitics and periods of extreme price volatility

Almost 20% of all natural gas produced in the US is exported via shipments of Liquefied Natural Gas (LNG) or pipeline gas into Mexico. LNG exports started in 2016 and currently amount to 14 BCF/day

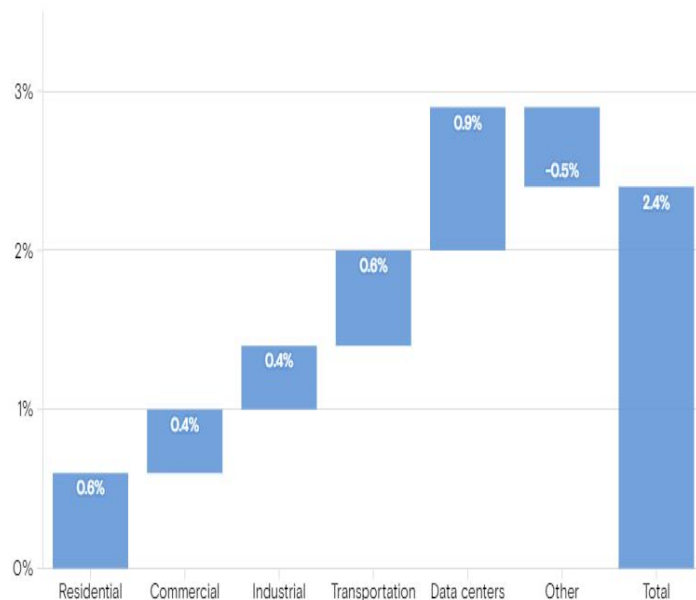
LNG export capacity in the US is projected to grow to over 25 BCF/day by 2028

Future US Electricity Demand Growth

- Electricity demand has been flat for almost 2 decades
 - Data Centers will use 8-9% of all US power by 2023 as compared to 3% in 2022
 - Electrification in transportation and industrial reshoring will also increase usage

The sectoral growth in US power demand

The demand for electricity is forecast to rise at 2.4% CAGR between 2022-2030



Source: Goldman Sachs Research, EIA

Goldman
Sachs

“

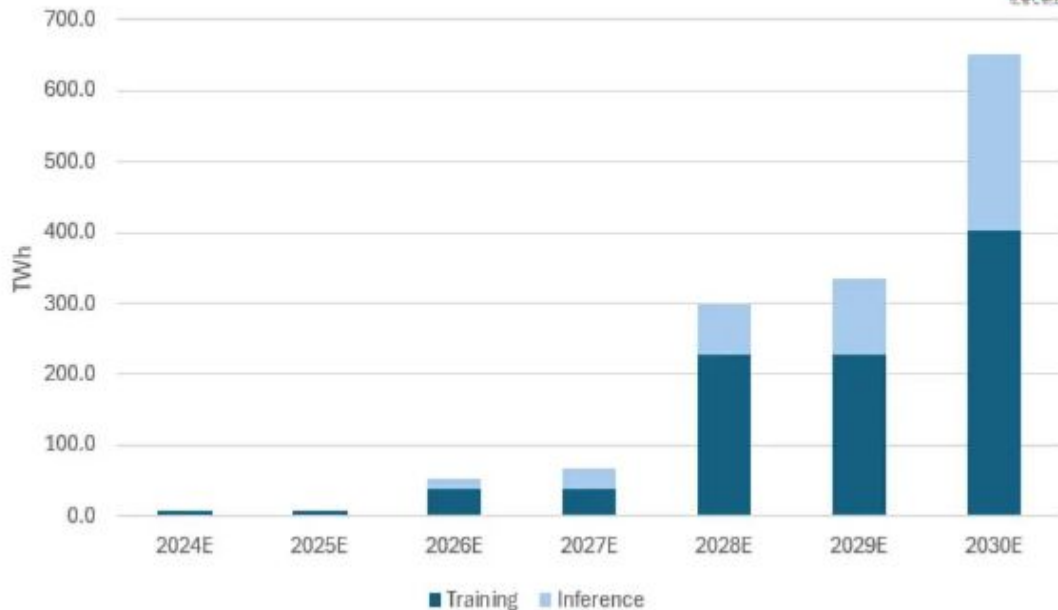
On average, a ChatGPT query needs nearly 10 times as much electricity to process as a Google search”

Generative AI Power Demand Expectations

1. AI power demand to surge 550% by 2026 from 8 TWh to 52 TWh
2. Expectations for demand to rise another 652 TWh or 1,150% by 2030
3. Growth in demand from 8 TWh in 2026 to 652 TWh equals 8,050%
4. AI training drives bulk of power demand with Inference's power demand accelerating at the end of the decade

Source: Wells
Fargo

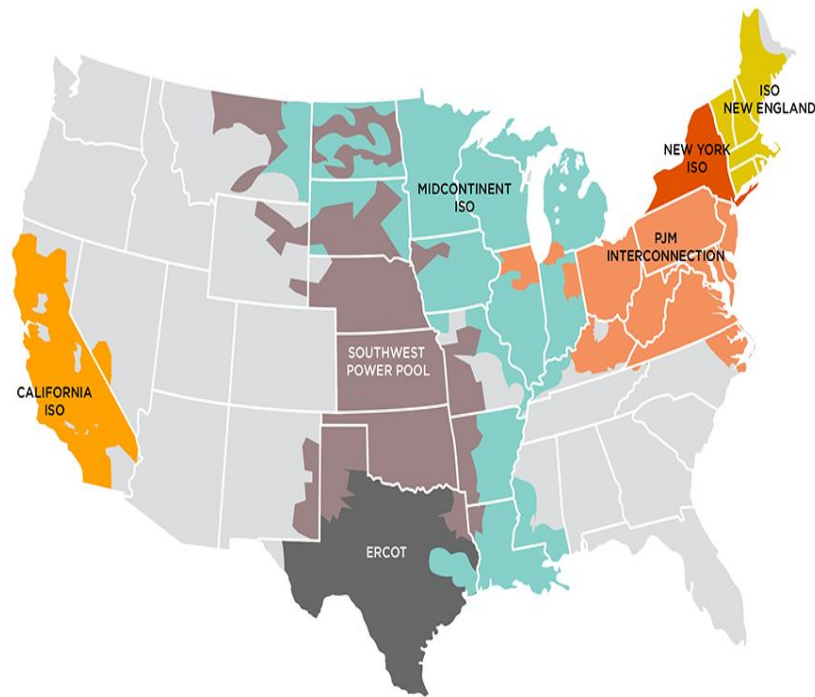
Generative AI Power Demand, AI Training and Inference



US Data Center Energy Consumption by ISO/RTO

Estimated electricity demand from datacenters in US power markets (MW)

ISO/RTO	Operational	Planned	Total
PJM	7,346	2,696	10,042
Outside of RTO/ISO	4,036	1,082	5,118
CAISO	1,876	309	2,185
ERCOT	1,585	355	1,939
MISO	474	-	474
NYISO	354	9	363
ISO-NE	287	-	287
SPP	240	-	240

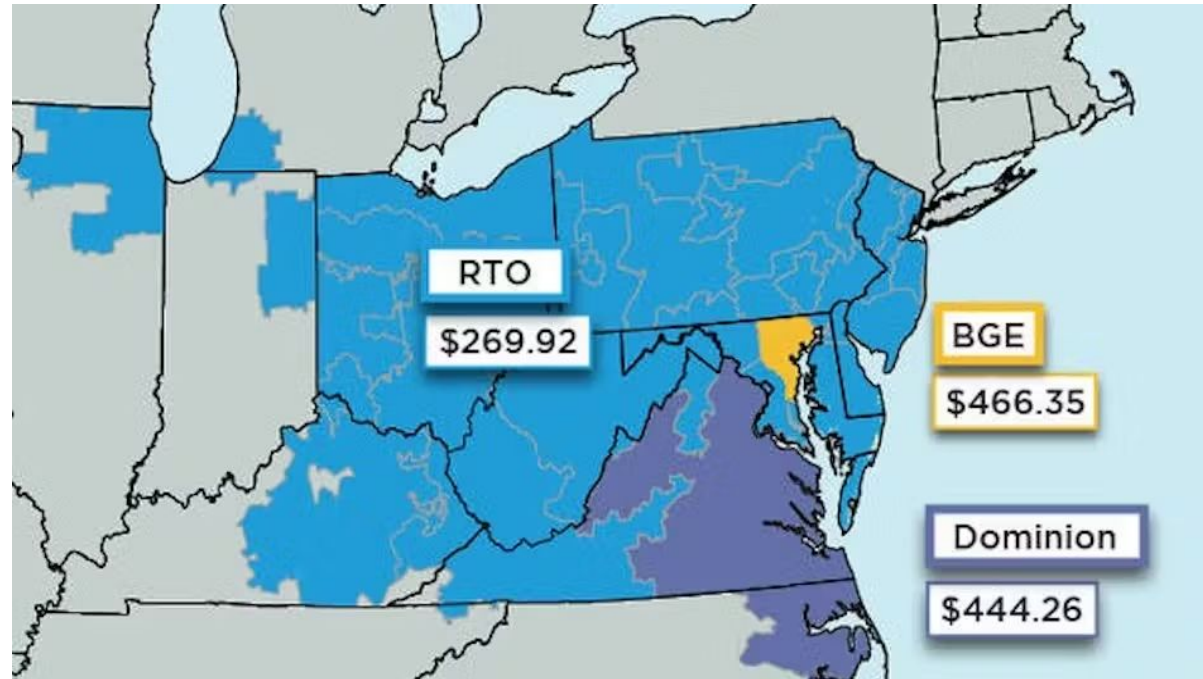


PJM West Forward Electricity Price Curves



PJM Base Residual Capacity Auction 2025/2026

1. Capacity, as it relates to electricity, means there are adequate generation resources on the grid to ensure that the demand for electricity can be met at all times
2. PJM holds a capacity auction to purchase megawatts of electricity for a future delivery year
3. Results for Planning Year 25/26 saw an 800% increase in cost for capacity from power generators that customers will have to pay



Capacity cost increase on an actual end user customer in Chicago

Name	Description	Amount
AEP ENERGY CHARGES		
ENERGY CHARGES	115,162 kWh X 0.05251	\$ 6,047.16
TRANSMISSION CHARGES	481.0488 kW PLC x 0.10556 x 30 days x 1	\$ 1,523.39
CAPACITY CHARGES	381.9931 kW PLC x 0.0295 x 1.24615 x 30 days x 1	\$ 421.28
SINGLE BILL OPTION DEBIT	\$0.73	\$ 0.73
Total		\$ 7,992.56

- Customer used 115,162 kWh
- Existing Peak Load Capacity Tag 382 KW
- Existing Capacity Cost **\$421**
- Customer uses 115,162 kWh
- Same PLC Tag 382 KW
- New Capacity Cost **\$3,855**

↑↑**43%**

Monthly increase of \$3,434
or \$41,208 annually

Bottom Line...

- Energy prices aren't getting cheaper... they're getting MORE expensive
- Customers need to be "proactive" in better managing their future energy needs
- Customer's should be looking to mitigate their exposure to higher energy costs by:
 - Engaging in energy procurement (if eligible)
 - Looking to remove as much energy and demand from the grid as possible
 - Exploring alternative solutions, like on-site solar, to self generate energy needs

Correlate Energy - What Correlate can do

- Evaluating various energy efficiency solutions
- Coupling operating energy cost improvement with sustainability goals and objectives



SAMSUNG

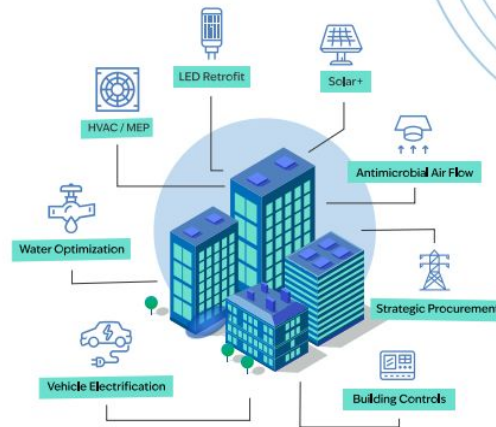


SAFEWAY



Proprietary & Confidential

We handle the heavy lifting so you can enjoy real energy & carbon-saving results.



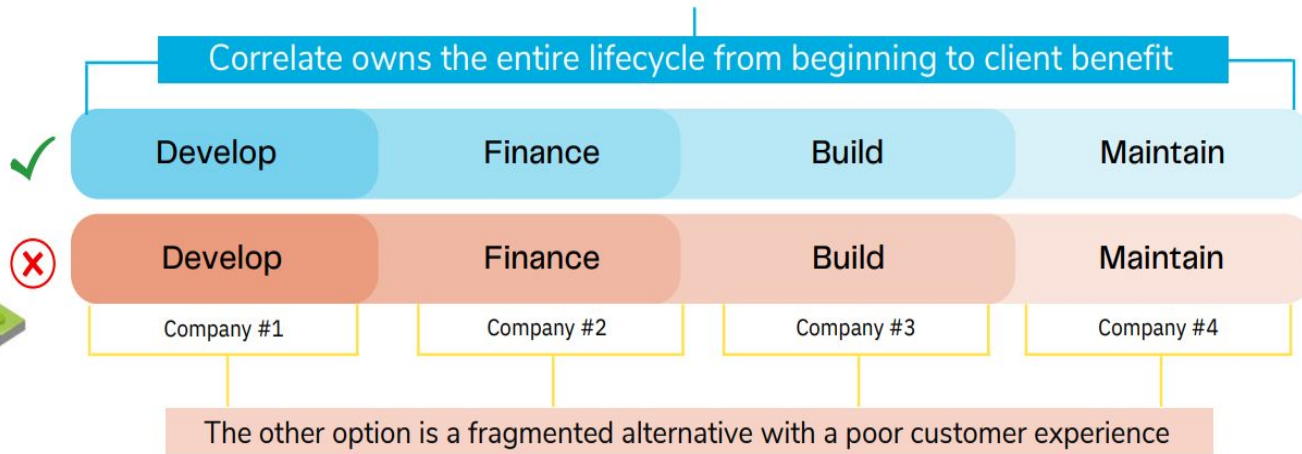
We

identify high-impact areas for improvement, implement them, and deliver results.

You

enjoy all of the glory of a more sustainable, profitable portfolio without any of the headaches.

The Correlate Energy Difference



AppDirect/Correlate Energy - Actual Project

- Global Document Solutions Company
- \$2M project with NO capital out of pocket for customer
- Structured Power Purchase Agreement (PPA)
- Offsets 70% of electricity usage
- Provides \$192K/year in Net Operating Invoice (NOI) Improvement
- Enhances company's internal sustainability goals and objectives
- Working on new projects for customer currently





Thank You

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