

NJ 2007 Clean Energy Conference

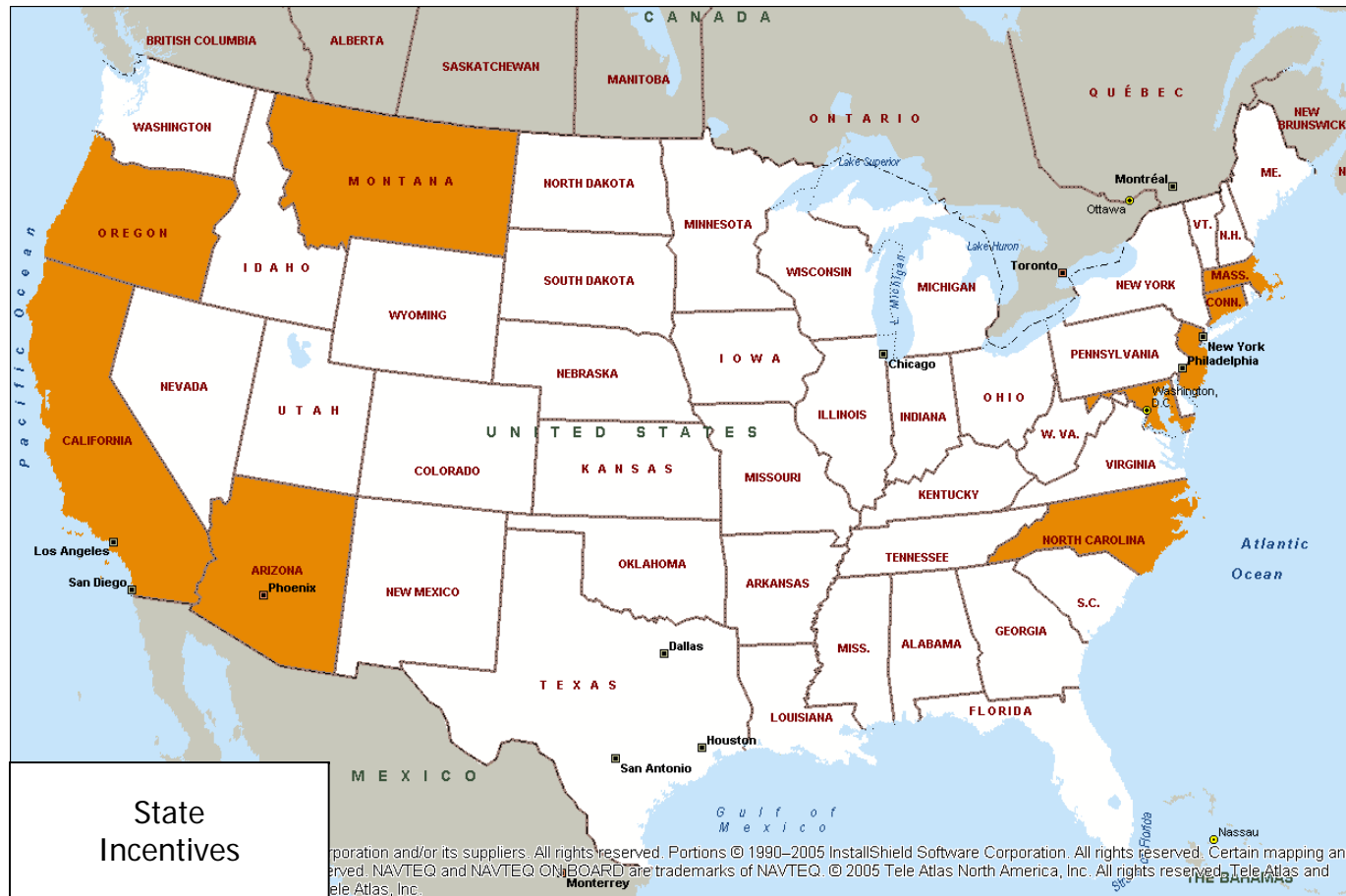
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Honeywell

State Incentives



Solution: Solar Energy Services Agreement

Honeywell

- **What it is**

- Long term agreement allowing institutions to implement renewable energy projects that might not otherwise be economical

- **How it works**

- Customer enter into a Solar Energy Services Agreement (ESA) and a Solar Site Agreement with Honeywell
- Honeywell installs the equipment on your property on a turnkey basis
- Honeywell owns system, captures all available incentives
- Customer buys power from Honeywell at a pre-defined rate (annual escalations)
- At end-of-term customer may renew agreement or purchase equipment

- **Benefits of ESA/Power Purchase Agreement**

- Allows you to implement renewable energy
- Alternate source of power: backup source vs. the grid
- Guaranteed energy rates for a defined time period
- No impact on balance sheet, no debt issued by the customer

Deal Structure

