



**ENERGY
INFRASTRUCTURE
SOLUTIONS**

MASTER PLAN





CONTENTS

Summary	2
Outline of Master Plan	3
Virtual Power Plant	4
Environment, Sustainability and Governance	5
Putting the Plan in Place	6



Summary

The District Energy System at ON3 is a valuable asset that will need to be modernized to capitalize on emerging trends in energy markets and stakeholder interest.

Buildout of new buildings, facilities, amenities and infrastructure will need alignment with energy market trends, sustainability expectations and investor interests.

Master Planning will provide Prism Partners with the tools needed to make informed decisions on invested capital and create alignment of energy use and infrastructure with the ON3 model to attract tenants and clients.

CHANGING ENERGY MARKET AND REGULATORY LANDSCAPE

Excerpt from March 2021 “Reliability in PJM: Today and Tomorrow”

“A broad set of trends is reshaping the electric industry today, thus planning for the grid of the future is of particular importance. **One such trend is the increasing number of states and stakeholders that are adopting decarbonization goals of varying ambition.**”

Renewable resources, whose power is intermittent in nature, are coming online at an escalating rate, and are expected to dramatically alter the resource mix over time. Currently, 92% of the 145 gigawatts¹ in the PJM interconnection queue – where generation projects apply to connect to the PJM system – are solar, wind, storage or combinations of wind/solar with storage resources, known as hybrids.

This will correspond with a rapid proliferation of distributed energy resources (DER) – smaller generation resources with limited visibility to PJM operators. At the same time, we expect significant new investment in grid modernization, coupled with intense innovation in technology, data management and new business models.

The Federal Energy Regulatory Commission (FERC), which regulates the interstate transmission of electricity and wholesale power markets, has supported the integration of DER into the wholesale electricity markets through the recent issuance of Order 2222.

The purpose of this order is to remove barriers to entry for smaller-scale generation and storage on the distribution system, along with demand response and energy efficiency, by allowing those resources to aggregate and directly compete against larger, more traditional generation in the markets. These emerging trends have benefits and offer new opportunities.”



Outline of the ON3 Master Plan

- Evaluate current energy management system software and control system—advise options for future improvement
 - Grid Transactive Microgrid
 - Virtual Power Plant
- Evaluate existing utility generation and distribution systems for operations & maintenance conditions, optimization opportunities, pending end of life replacement requirements, environmental restrictions (combustion emissions and refrigerant phase out), and compliance with ON3 vision ESG goals and benchmarks.
- Assess inclusion of ON3 facility into PJM as Capacity Resource. Develop plan and depict economics.
- Advise options to improve sustainability and reduce emissions on existing and new potential utility systems:
 - Improvements in generation efficiency
 - Use of alternate low carbon fuels
 - Integration of green generation and energy storage technologies
- Evaluate, optimize, and improve the existing utility system resiliency:
 - Implementation of redundancy
 - Elimination of single point failures
 - Integration of energy storage systems
 - Use of non-critical load shedding
- Review current agreements and develop strategy for future procurement of utility supplied electricity (backup or low cost peak), natural gas & low/non carbon fuels, and or potential demand/frequency response program participation.
- Advise current and pending grants and rebates for resiliency and sustainability improvements and opportunity for alternate financing of future utility investments.
- Review and evaluate current and potential tenant energy supply agreements which properly and fairly reimburse ON3 for the increase reliability and sustainability of campus energy supply over local utility systems.
- Measure current energy use and develop baseline metrics of current energy use and green house emissions— nothing can be improved if it can't be measured
- Assess and advise ON3 risk to current NJ and Federal Energy Policy

FOCUS OF MASTER PLAN

- Achieve High Returns on Invested Capital
- Attract Tenants
- Advance ON3 Vision
- Improve Resiliency
- Improve Sustainability
- Avoid Stranded Assets and Sunk Cost Investments

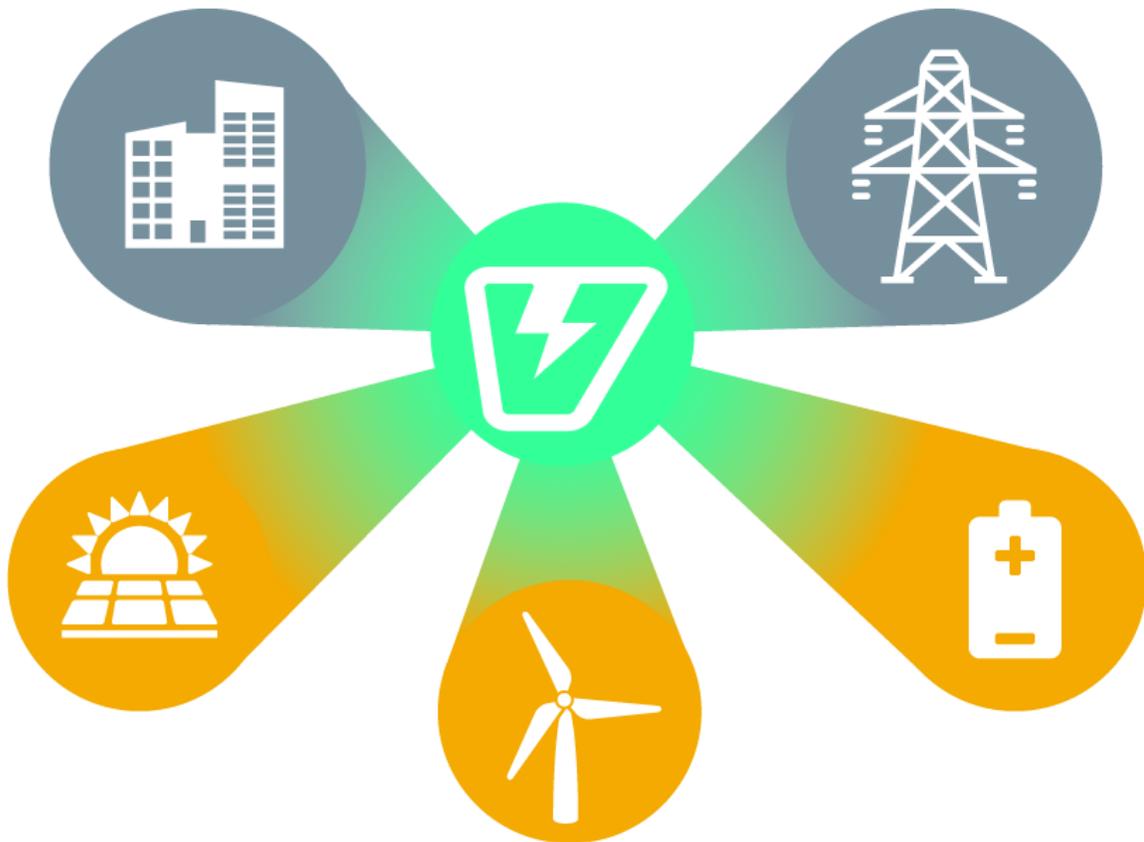


Building Toward a Virtual Power Plant

As ON3 builds out beyond the campus energy delivery system - new buildings and infrastructure could be designed with PV solar, demand management, load shedding capability, EV charging and battery storage. These and other possible and future energy systems can be arrayed into a complimentary array of transactive energy resources—a Virtual Power Plant.

Regulatory and economic factors and emerging technologies are rapidly driving a market for such a system.

New and future energy infrastructure and accompanying transactive platforms should be considered and designed into a Master Plan for optimum flexibility and to exploit grid edge opportunities.





Environment, Social and Governance

The 2019 NJ Energy Master Plan has provisions that will accentuate the benefits of microgrids that contribute towards achievement of the States goals of 100% clean energy by 2050. Within the plan are 7 stated strategies including—applying to ON3

- Strategy 2: Accelerating Deployment of Renewable Energy and Distributed Energy Resources
- Strategy 3: Maximizing Energy Efficiency and Conservation, and Reducing Peak Demand
- Strategy 4: Reducing Energy Consumption and Emissions from the Building Sector

PEER Certification

Performance PEER is the first ever rating system that drives market transformation in the power and energy sectors. Through certification, PEER recognizes industry leaders for improving efficiency, day-to-day reliability and overall resiliency. The PEER process and certification is for all power systems and microgrids and includes guidance for utilities. PEER assess and evaluate an energy system across multiple criteria and assigning a relative score

- ⇒ Resiliency
- ⇒ O&M
- ⇒ Energy Efficiency
- ⇒ Grid Services
- ⇒ Innovation
- ⇒ Regional Priority

Assigning a score PEER certification can become a tool with which to demonstrate value to stakeholders, identify opportunities for improvement and implement those (including through clean energy procurement), and contribute to ESG policies.

ESG for ON3, Tenants and Investors

The **Environmental** component focus on ON3 energy use impact on the environment—for example, its energy use and contribution to green house gas emissions. Is the ON3 taking advantage of the renewable energy assets available to mitigate it's impact on green house emissions. Are energy conservation and demand management practices in place or investments being made? It also might focus on the risks and opportunities associated with the impacts of climate change on the ON3 development, its Vision and Tenants.

The **Social** component might focus on the ON3 relationship with the local community served — for instance, EV charging for use by not only tenants but other local users and stakeholders.

The **Governance** component might focus on issues such as how the ON3 or Prism Partners operates or is run — for example, transparency and reporting of energy use metrics, compliance or progress toward state goals for energy policy, community stakeholder input, and the management vision of the Development.



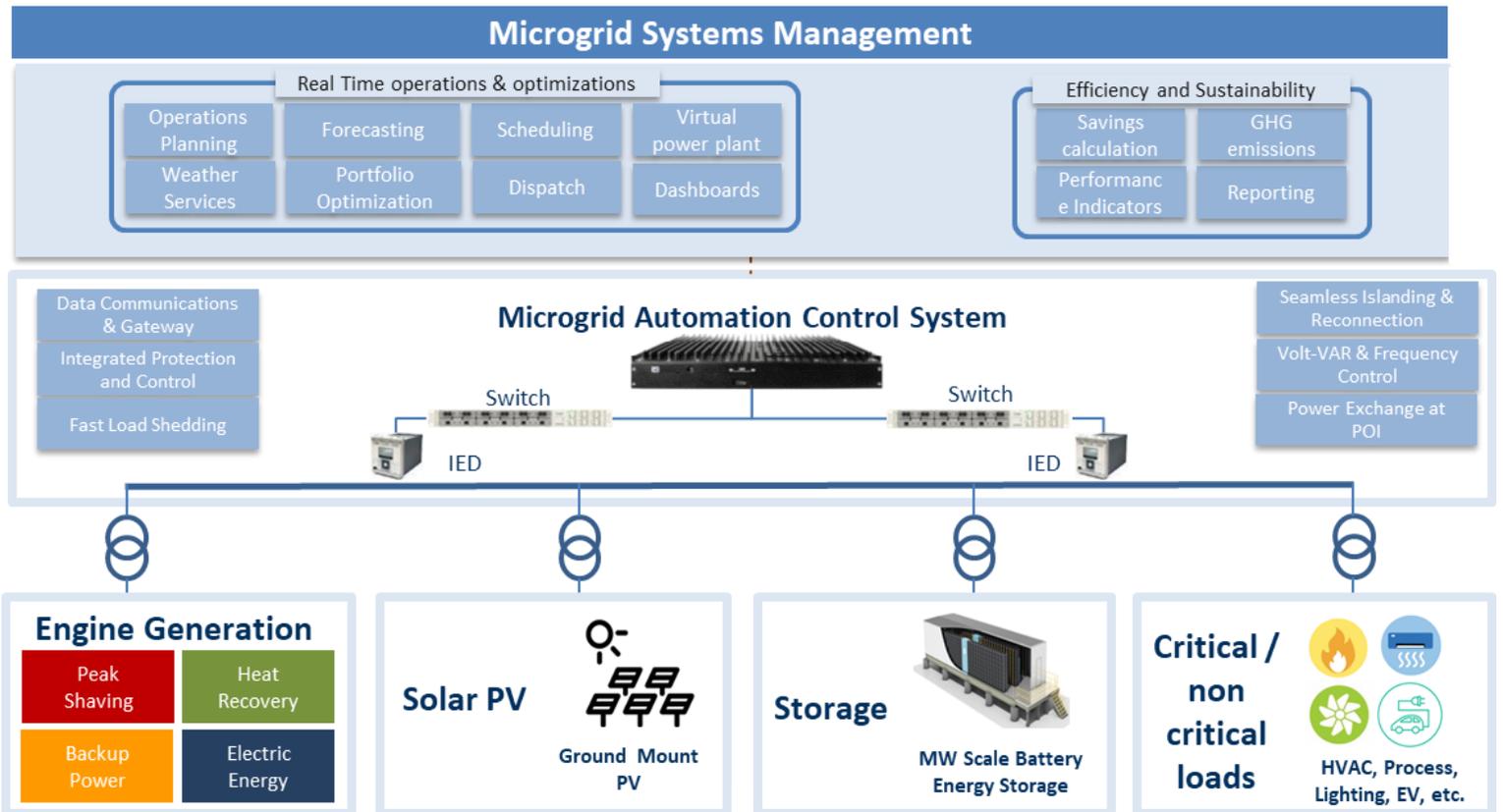


Putting the Plan in Place

Concord is New Jersey based multi discipline engineering firm that has provided utility and power design and consulting services to industrial, institutional, and campus clients for over 30 years. The majority of our regular business is repeat customers developed from constantly supporting our clients' needs and helping them achieve their utility and power goals to maximize their business success.

Concord works with our customers as trusted business partners to provide best in class consulting and design to improve and optimize existing plant operations, develop new sustainable and resilient energy systems, and reduce overall carbon footprint without sacrificing reliability.

In a rapidly changing world of energy use, regulatory policy, investor expectations and tenant priorities, we bring innovative energy use and infrastructure solutions to Prism Partners contributing to the growth at ON3 and maximizing return on investment





Concord Engineering Group, Inc. is a full-service engineering, energy consulting and commissioning firm. For over 30 years, we have been designing innovative and resilient Distributed Generation and Microgrids for our clients and markets including:

- Mission Critical Department of Defense
- Government
- Healthcare
- Higher Education
- Commercial and Industrial

Concord's approach is to be technology and platform agnostic – that is, we design and deliver projects based on their own merit and create an design to best suit the project technical, economic and mission needs.

For more information call (856) 427-0200 or visit www.concord-engineering.com.