

TESLA provides fast, highly accurate load forecasts and weather effects analysis to the energy industry worldwide. To best serve the diverse needs of our energy market clients, we have developed a comprehensive suite of software products, all of which can be interfaced with macroeconomic models.

Our products are especially designed for:

- Electric Load Forecasting
- Gas Demand Forecasting
- Weather Impact and Decomposition Analysis
- Power Pool Modeling

We are also engaged in:

- Wind Generation Forecasting
- District Heat & Steam Delivery Forecasting
- Energy Price Forecasting

More information about our products can be found on our website - www.teslaforecast.com

THE TESLA MODEL

Our suite of products are all built on top of the powerful **TESLA Model** – with a menu-driven system for energy load analysis and forecasting on intervals ranging from sub-hourly forecasts to strategic horizons.

The **TESLA Model** is based on a highly parameterized causal model, driven by both weather forecasts and historic patterns. It incorporates an error correction filter that includes autoregressive terms with time-varying parameters.

OUR ACCURACY RATES

The **TESLA Model** is extremely accurate, producing in-sample fits with model standard errors as low as 0.5 percent of peak load. In terms of overall performance and in predicting critical events, the models provide our clients with outstanding results.

MODELS TO MATCH YOUR REQUIREMENTS

TESLA has a large collection of international and regional pool models available to fulfill your power forecasting needs. We can provide you with public data models or customize bespoke models to your specific requirements. To register for a **free trial** of either our **public data** or **bespoke models**, please contact us or visit - www.teslaforecast.com/register

Public Data Models

- **Europe** - Models are available for all TSO zones.
- **US and Canada** - We support models for the CAISO, ERCOT, MISO, NEISO, NYISO, Ontario and PJM power pools.
- **Asia-Pacific** - Models are available for all of the control areas in New Zealand. In Australia, we have models for all of the former NEMMCO regions.

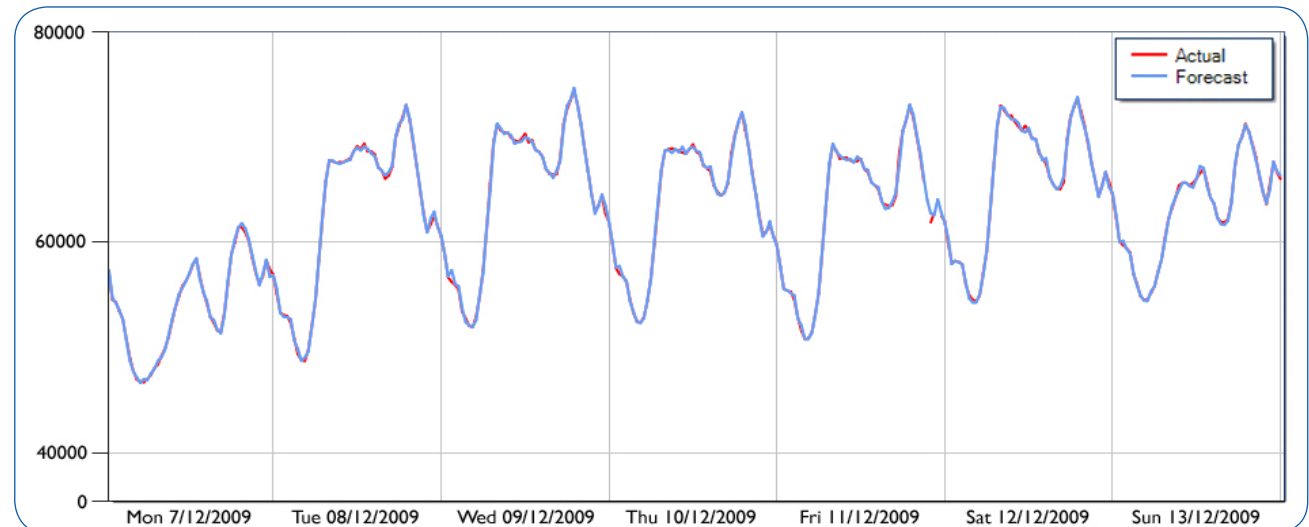
Bespoke Models

We have built our reputation on supplying bespoke models to the energy industry, using client data and specifications developed in consultation with the client. Using automated data and forecast updates, our accuracy, power and flexibility make the **TESLA** system the tool of choice for solving a broad range of forecasting and management problems in the energy industry.

The following page outlines the steps involved in establishing a **free trial** customized to your needs.

EXAMPLE OF A PUBLIC DATA MODEL

France RTE - Forecast vs Actual Power Demand



Our model of the power demand for the France RTE Transmission System Area has a Mean Absolute Percentage Error (MAPE) of 0.71% for the year ending 31 Dec 2009.

BESPOKE MODEL FREE TRIAL

If you are interested in setting up a **free trial** of a bespoke model, we will work with you to make this happen as easily and quickly as possible. Establishing a trial typically involves the following steps:

1. TESLA signs a Non-Disclosure Agreement (NDA) before you release any data to us.
2. You send us your load data of the appropriate periodicity (daily, hourly or sub-hourly, depending on the model periodicity) going back as far as you can. The optimal timeframe is 11+ years, however we can work with as little as 2+ years worth of data. We can also make use of customer count data, split by customer type, if available.
3. If available, you would send us an hourly history on the major weather indicators for any weather stations you currently use: temperature, humidity, cloud cover or solar radiation, wind speed and direction, and precipitation.

One weather station per area/zone to be modeled is sufficient; however, two or more would be better. If you do not have weather data, we have alliances with weather vendors who will provide us with weather data for the duration of the trial. Please ask us for more details on this service.

4. Our staff will analyze your company's load, customer count and weather data, and discuss with you the best ways of modeling your areas/regions.
5. Our technical staff will work with you to focus on key areas that are valuable to you or challenging to forecast.
6. Once the model/s are prepared we will run them on our servers and post the forecasts to you via our FTP site or email. We will handle all model installation and data hook-ups, so there is no drain on your resources.

7. The models will then be available for you to evaluate for the duration of the trial.

8. We will visit your site to train you in the utilization of the forecast, the capabilities of the software and to discuss with you the arrangements that would need to be made should you decide to license any of our models.

There is absolutely **no cost** to you at any time or for any reason, until you decide to license one of our models.

SUPPORT

We believe all clients deserve the very best support possible.

When you license a TESLA product, gold-standard support is always included at no extra charge. Your support package will include personalized attention based on your needs. We use remote monitoring to guard the health of your TESLA system and will often recognize a potential problem before you do.

TESLA's gold-standard support includes:

- Onsite Support
- Training
- Direct access to the:
 - economists who build your models, and
 - technical specialists that wrote the software.

FEE STRUCTURE

A TESLA solution is available either under a fixed-price contract or on a pay-for-performance basis.

Our superior forecasting accuracy allows us to offer our products on pay-for-performance basis. Under such an arrangement, the contract contains a pay-for-performance criteria which varies our compensation according to an agreed-upon formula. One basis for setting the compensation schedule, for example, might

be a measure of the relative accuracy of our forecasts compared to systems that you currently use. We will also negotiate a payment plan that is part fixed-fee and part pay-for-performance.

We welcome opportunities to demonstrate the superiority of the TESLA Model through competitive benchmarks.

CONTACTS

If you have any questions, or would like to discuss a **free trial** of any of our products, please contact us:

Europe

Mark Hewitt
Operations Manager
TESLA (Europe) Ltd.
t +44 (0) 20 7202 8540
f +44 (0) 20 7202 8550
mark.hewitt@teslaeurope.com

United States

Shannyn Sneed
Marketing Director
TESLA, Inc.
t +1 (804) 612 5450
f +1 (804) 612 5455
shannyn@teslaforecast.com

Asia-Pacific

Michele Wynne
Executive Sales Director
TESLA, Inc.
t +61 (0) 2 8011 4523 (Australia)
t +64 (0) 4 889 0777 (New Zealand)
t +1 (310) 341 9072 (United States)
mwynne@teslaforecast.com