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HONEYWELL AND PEARLSTONE ENERGY TO PROVIDE SMART GRID PROGRAM TO HELP BOOST U.K. GRID STABILITY

Program Aggregates Energy Reduction Measures for Commercial and Industrial Facilities to Drive Savings and Help Address Clean Energy Goals

BRACKNELL, United Kingdom -- Dec. 8, 2015 – Honeywell (NYSE:HON) and demand response aggregator company [Pearlstone Energy](#) have teamed up to provide a smart grid program for commercial and industrial facilities in the U.K. The program aims to reduce energy bills while helping improve country-wide power reliability and meet carbon reduction commitments.

Under the program, Pearlstone Energy will pay participants to reduce their energy consumption for short amounts of time during periods when electricity demands exceed availability. Pearlstone Energy will partner with Honeywell to identify short-term energy reduction measures in buildings, such as adjusting heating and cooling equipment, and Honeywell will provide the technology to automate these reductions, free of charge to the building owners. Prior to a building's participation, Honeywell will conduct site audits to assist in the design of energy reduction measures. The company will also provide testing and training, and will connect each facility to the automated system.

These automated energy reduction measures, known as [automated demand response \(ADR\)](#), can create additional revenue streams for participants while contributing to broader U.K. carbon reduction goals.

“Facilities use electricity for different purposes, but they don't need to consume it at full capacity all of the time,” said Dr. Azad Camyab, chief executive officer, Pearlstone Energy. “We're using Honeywell's open-source smart grid technology to tap into buildings' flexible energy needs to offer additional sources of grid stability along with savings and potential new revenue for participants.”

The program's centerpiece is Honeywell's Demand Response Automation Server (DRAS) software-as-a-service (SaaS), which allows Pearlstone Energy to communicate with participating buildings to trigger pre-specified short-term energy reduction measures during times of peak demand on the grid, or peak pricing periods, when buildings are charged more for the energy they

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consume. Pearlstone Energy can then aggregate the resulting energy reserves and seek to apply them toward grid stabilization efforts, by tendering for National Grid's Short Term Operating Reserve (STOR) service, which aims to reduce grid demands using clean methods that avoid producing carbon emissions.

In addition to payment for their participation, facilities can reduce their energy bills by avoiding costly peak pricing periods and network demand charges. Pearlstone Energy also intends to sell the aggregated customer energy load saved by the program on the wholesale energy markets at favorable and profitable trading times to drive additional potential revenue for participants.

Pearlstone Energy is currently recruiting participating companies, and expects the program to provide a minimum of 3 megawatts of capacity by early 2016, equivalent to the amount of electricity needed to power 6,600 UK homes for a year*. Pearlstone Energy and Honeywell expect the program to grow significantly over the next five years to more than 200 megawatts of capacity.

"Shifting energy use is a viable alternative to producing additional megawatts of energy, especially as countries like the U.K. seek cleaner sources to balance the grid while meeting carbon reduction commitments," said Justin McCurnin, vice president and general manager of Honeywell Smart Grid Solutions. "ADR provides a clean pathway to keeping the lights on while achieving longer-term sustainability goals."

Honeywell is a pioneer and leader in ADR technology with 20 programs underway in the United States and around the world, including groundbreaking projects in Australia, China, India and the U.K. In addition, Honeywell has managed demand response and energy efficiency projects for more than 100 utilities. With controls in 150 million homes, 10 million buildings and thousands of industrial sites across the globe, Honeywell has the technology and expertise to empower smart energy producers and users.

Visit honeywellsmartgrid.com or follow HoneywellGrid on Twitter for more information on demand response, and the company's broad smart grid technology and services.

* Source: ["Energy Consumption in the UK \(2015\)";](#) Department of Energy and Climate Change

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