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POWER ASSURE AND PARC TO VIRTUALIZE POWER CONSUMPTION IN DATA CENTERS

Joint Development Effort Will Significantly Reduce Electrical Energy Consumption without Impacting Quality of Service

Santa Clara, Calif. — January 27, 2010 — Power Assure™, Inc, a developer of [power management solutions](#) for data centers and PARC (Palo Alto Research Center) Inc, a premier center for commercial innovation, today announced that the two companies will work on a technology project to reduce data center power consumption. The companies were recently awarded a \$5 million grant from the U.S. Department of Energy (DOE) for joint product development and Power Assure’s commercialization of the resulting integrated energy-efficiency solutions for large data centers.

Power Assure and PARC are working together to make a transformative change in the management of servers in data centers, with the ultimate goal of significantly reducing overall power consumption. According to a recent EPA report, data center energy use in the U.S. will reach 100 billion kWh per year by 2011. Yet average server utilization in industrial data centers is currently only 10-15%, creating an “Always On” infrastructure that wastes substantial amounts of electrical energy to run and cool idle servers.

Power Assure and PARC will jointly develop technologies to increase the options available for data centers that want to move from “Always On” to “Always Available”. The goal is that all power consumption in a data center becomes virtualized: data centers only pay for what they need to meet customer demand at any point in time. Data centers are treated as a single pool of resources (CPU cores, memory, I/O, and network capacity) that can be allocated and used according to need and location of the applications.

An added benefit of power virtualization is the ability to move computing on the fly. By decoupling virtualized software from the underlying hardware resources, the technology developed by PARC and Power Assure enables data centers to shift and shed computational resources to other locations in order to take advantage of service outages, demand response (DR) programs, or lower utility rates.

“The Power Assure and PARC joint project is a game changer because data center managers and their customers will be able to achieve significant cost savings in their consumption of electrical power in fully virtualized environments,” said Dan Greene, PARC’s lead on the project. “The solution also enables operators to make informed decisions about their power usage and related IT expenditures.”

Power virtualization is made possible by applying PARC’s model-based control and optimization technology to virtualized data centers. A predictive model ensures adherence to service level agreements (SLAs) while consolidating applications on the smallest possible hardware footprint. In addition, the technology can prioritize resource assignments on the basis of quality-of-service (QoS) requirements. Once the applications are consolidated, the Power Assure solution can put to sleep or shut down individual hardware or components and realize significant power savings. Similarly, if the software forecasts an increase in the computational load, the Power Assure solution can bring additional hardware resources online in order to guarantee SLAs.

“PARC’s optimization approach to improve energy efficiency for data centers is a natural fit for Power Assure’s product roadmap, especially with the increasing use of virtualization tools,” said Brad Wurtz, Power Assure’s CEO. “We are pleased with how smoothly the two companies worked together to develop not only the DOE proposal, but also a partnering arrangement that aligns the long-term interests of both companies.”

Power Assure with PARC was recently selected by the U.S. DOE for a \$5 million grant to augment product development efforts and drive commercialization of its power management software for large data centers. The DOE grant was funded by the American Reinvestment and Recovery Act (ARRA) of 2009. Power Assure was one of 14 companies selected for these Recovery Act Projects, which are focused on lowering energy use by data centers and telecommunications systems.

About Power Assure

Power Assure develops and delivers business automation software that reduces energy use and carbon emissions in commercial, corporate, and government data centers. The company’s hosted software platform intelligently monitors and manages data center server capacity in real time, maintaining required service levels at optimum efficiency and lowest total cost. Power Assure is based in Santa Clara, California. For more information, visit <http://www.powerassure.com/>.

About PARC

A global center for commercial innovation, PARC (Palo Alto Research Center) Inc. works closely with enterprises, entrepreneurs, and other clients to discover, develop, and deliver new business opportunities. PARC’s deep competencies in model-based control and optimization are based on experience controlling

complex engineered systems (such as production printing systems) reliably under rapidly changing operational and environmental conditions. Requiring multidisciplinary expertise, the model-based approach incorporates software and especially artificial intelligence reasoning into hardware/physical systems – and has been applied to different industries including transportation, factory automation, and aerospace. Previously known as “Xerox PARC,” PARC was incorporated in 2002 as a wholly owned subsidiary of Xerox Corporation (NYSE: XRX). For more information about PARC please visit www.parc.com.

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