ENERNOC INC AGM Date: 2013-05-28

1.01 Re-elect Timothy Healy **Oppose**

Class III Director. Chairman, Chief Executive Officer and co-Founder. Combined roles at the top of the Company is not supported by guidelines. It is considered best practice for these positions to be separated with a Chief Executive responsible for the running of the business and the Chairman responsible for the functioning of the board. He owns 4.3% of the Company's outstanding common stock.

1.02 Re-elect David Brewster **For**

2 Approve the Amended and Restated 2007 Employee, Director and Consultant Stock Plan **Oppose**

The Board is seeking shareholder approval of the Amended and Restated 2007 Employee, Director and Consultant Stock Plan ('the Plan'). Approval of the Plan will allow the company to continue to make stock awards to 720 employees, four non-employee directors and 183 consultants of the Company. The principle of performance related pay is a positive one and 162(m) enables shareholders to implement this principle for all awards above $1 million. It is of concern that non-employees can participate at the cost of further dilution for shareholders.
It is pleasing to note that a cap has been set for the number of shares that may be granted to individuals per year via awards made under the Plan. However, it would be preferred if the cap was expressed in terms of a dollar amount rather an aggregate number (in this instance, the cap is 130,000 shares per individual per year). It is welcomed that the Company has decided to eliminate the socalled 'evergreen' term, which previously allowed an increase in the number of shares available under the Plan by up to 520,000 shares per year. It is also pleasing that repricing has been addressed. The scheme prohibits the repricing of any outstanding stock option under the 2007 Stock Plan by reducing the exercise price of the stock option and the cancellation of any outstanding stock options. The Plan makes available 2.5 million shares (equivalent to 10.6% of outstanding share capital). Given that the Plan has a ten year term, should all 2.5 million shares be awarded, the dilutive effect would exceed our recommended guideline amount of 1% per year over ten years. The Plan is administered by the Compensation Committee who retain full discretion to determine the eligibility of participants under the Plan and to attach performance criteria to awards. No description of future performance targets are disclosed. In addition, it is concerning that some of the stock options and restricted shares granted during the last fiscal year were not subject to performance targets, and that targets attached to restricted stock units would appear insufficiently challenging. Should change-in-control payments become available, unvested options could be accelerated, which is not welcomed.
For the reasons laid out above, we oppose.

3 Re-appoint the auditors **Oppose**

Ernst & Young proposed. Non-audit fees were approximately 42% of audit fees during the year under review. Non-audit fees over a three year basis were approximately 30% of audit fees.