

# Solar for Commercial Utility Customers

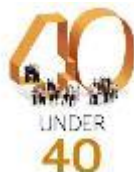
*December 3, 2014*

# About Sol Systems

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Sol Systems is a solar energy finance and investment firm. The company has facilitated financing for 171 MW and over \$600 million of distributed generation solar projects on behalf of Fortune 100 corporations, insurance companies, utilities, banks, family offices, and individuals. It has over \$550 million in assets under management as of September 2014.

Our clients depend on us to originate, diligence, negotiate, structure and asset manage long-term investments in distributed solar projects and derivative assets. Integrity, mission, and a commitment to excellence drive our team and our business.



# Future Options

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## Customers Have Options

“We know you have options when you fly...thank you for choosing us”

- 1) Denial
- 2) Control / Suppress Customer Desire for Solar Products  
(For how long?)
- 3) Allow Others to Meet Desire for Solar Products
- 4) Meet Customer Desire for Solar Products  
(How?)

# Selling Solar

	Customer Sited, Self - Originated	?	RECs Product
Pros	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>		<ul style="list-style-type: none"> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role**</li> </ul>
Cons	<ul style="list-style-type: none"> <li>• 12 Month Sales Cycle</li> <li>• High Customer Financial Commitment</li> <li>• Intensive Site Construction</li> <li>• Host Site Restrictions</li> <li>• Massive Utility Overhead – all New Skills</li> <li>• Lengthy Regulatory Approval, Unobvious Utility Role**</li> <li>• Differentiated Offering**</li> </ul>		<ul style="list-style-type: none"> <li>• Unfinanceable Income Stream</li> <li>• No Customer Financial Benefit</li> <li>• No Touch &amp; Feel</li> <li>• No Income Producing Asset</li> <li>• No DG Benefits</li> </ul>

\* Deregulated models; \*\*Regulated models

# Selling Solar

	Customer Sited, Self - Originated	Customer Sited, 3 <sup>rd</sup> Party Origination	RECs Product
Pros	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role**</li> </ul>
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# Selling Solar

	Customer Sited, Self - Originated	Customer Sited, Outsourced Origination	RECs Product
Pros	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role**</li> </ul>
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# Selling Solar

	Customer Sited, Self - Originated	Remote / Community Project	RECs Product
Pros	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• (Some) Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role**</li> </ul>
Cons	<ul style="list-style-type: none"> <li>• 12 Month Sales Cycle</li> <li>• High Customer Financial Commitment</li> <li>• Intensive Site Construction</li> <li>• Host Site Restrictions</li> <li>• Massive Utility Overhead – all New Skills</li> <li>• Lengthy Regulatory Approval, Unobvious Utility Role**</li> <li>• Differentiated Offering**</li> </ul>	<ul style="list-style-type: none"> <li>• Differentiated Offering**</li> <li>• 12 Month Development Cycle</li> </ul>	<ul style="list-style-type: none"> <li>• Unfinanceable Income Stream</li> <li>• No Customer Financial Benefit</li> <li>• No Touch &amp; Feel</li> <li>• No Income Producing Asset</li> <li>• No DG Benefits</li> </ul>

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# Selling Solar

	Customer Sited, Self - Originated	PCC Ownership**	RECs Product
Pros	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• DG Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Financial Benefits</li> <li>• Touch &amp; Feel</li> <li>• (small) Income Producing Utility Asset</li> <li>• Reduced Churn*</li> <li>• Differentiated Offering</li> <li>• Easy Regulatory Approval, Natural Utility Role</li> </ul>	<ul style="list-style-type: none"> <li>• 2 Month Sales Cycle</li> <li>• Low Customer Financial Commitment</li> <li>• No Onsite Construction</li> <li>• No Host Site Restrictions</li> <li>• Low Overhead</li> <li>• Easy Regulatory Approval, Natural Utility Role**</li> </ul>
Cons	<ul style="list-style-type: none"> <li>• 12 Month Sales Cycle</li> <li>• High Customer Financial Commitment</li> <li>• Intensive Site Construction</li> <li>• Host Site Restrictions</li> <li>• Massive Utility Overhead – all New Skills</li> <li>• Lengthy Regulatory Approval, Unobvious Utility Role**</li> <li>• Differentiated Offering**</li> </ul>	<ul style="list-style-type: none"> <li>• 12 Month Sales Cycle</li> <li>• High Customer Financial Commitment</li> <li>• Intensive Site Construction</li> <li>• Host Site Restrictions</li> </ul>	<ul style="list-style-type: none"> <li>• Unfinanceable Income Stream</li> <li>• No Customer Financial Benefit</li> <li>• No Touch &amp; Feel</li> <li>• No Income Producing Asset</li> <li>• No DG Benefits</li> </ul>

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## Conclusions

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What is the *best* product for your customers?

Solar is a high value, noncommodity product.

How can *you* sell it? What are you good at?

Marketing? Customer Relationships?

*(Be honest...)*

Low-Cost, High Volume, Customer Sited Construction?

Large Project Construction?

Regulatory Work?