Clean Power Finance

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Gkremen@CleanPowerFinance.Com
Summary

• As the price of PV equipment falls, “soft” costs dominate

• Clean Power Finance is focused on lowering soft costs - sales, marketing, operations and finance

• 25%+ of installers run their business on our SaaS platform
The problem

- Equipment prices falling as offshore manufacturers throw capital
- Soft costs such as customer qualification, customer acquisition, contractor financing, end user financing, customer management, system design, operations including scheduling, design, rebates, collections, procurement, etc. are an increasing percent of the total cost of a solar installation
- Contractors are not experts on software that minimizes soft costs but on installing solar using their trucks and ladders
The Solution -- CPF’s Saas Platform Services

CPF controls the installer desktop, by delivering economy of scale services

Subscriptions
- CRM / MRP
- Quotes
- Proposals
- Design

Leads
- 3rd party
- In-house

Financing
- Proprietary Lease
- 3rd party
- Future PACE

Transactions
- Rebate and interconnection agreements
- 3D images
- Insurance
Consumer Seeks Info

1. Create Solar Array
2. Current Electric Costs
3. Financial Analysis
4. Get Free Quote

More Reports
- Quick Calculation
- Bill Breakdown
- Effect of Solar on Bills

Costs Summary & ROI

Size: 9.258 kW  Net Cost: $38,768.48  Yrs to Breakeven: 9

You may be able to finance or lease this system and still save money!

Free Quote
No obligation

25 Year Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>Avoided Utility Cost</th>
<th>Net PV System Cost</th>
<th>Cumulative Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$4,200.00</td>
<td>($38,768.48)</td>
<td>($38,768.48)</td>
</tr>
<tr>
<td>2</td>
<td>$4,412.60</td>
<td>($34,556.48)</td>
<td>($30,145.88)</td>
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<tr>
<td>3</td>
<td>$4,657.00</td>
<td>($30,145.88)</td>
<td>($25,488.88)</td>
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<tr>
<td>4</td>
<td>$4,903.82</td>
<td>($25,488.88)</td>
<td>($20,550.00)</td>
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<tr>
<td>5</td>
<td>$5,153.72</td>
<td>($20,550.00)</td>
<td>($15,421.34)</td>
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<tr>
<td>6</td>
<td>$5,417.40</td>
<td>($15,421.34)</td>
<td>($9,983.94)</td>
</tr>
<tr>
<td>7</td>
<td>$5,725.58</td>
<td>($9,983.94)</td>
<td>($4,258.36)</td>
</tr>
<tr>
<td>8</td>
<td>$6,029.04</td>
<td>($4,258.36)</td>
<td>$1,770.67</td>
</tr>
<tr>
<td>9</td>
<td>$6,348.58</td>
<td></td>
<td>$1,770.67</td>
</tr>
<tr>
<td>10</td>
<td>$6,666.05</td>
<td></td>
<td>$4,119.25</td>
</tr>
<tr>
<td>11</td>
<td>$7,039.36</td>
<td></td>
<td>$14,894.30</td>
</tr>
<tr>
<td>12</td>
<td>$7,412.44</td>
<td></td>
<td>$21,344.65</td>
</tr>
<tr>
<td>13</td>
<td>$7,805.30</td>
<td></td>
<td>$29,246.10</td>
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<tr>
<td>14</td>
<td>$8,218.98</td>
<td></td>
<td>$37,061.40</td>
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<tr>
<td>15</td>
<td>$8,654.59</td>
<td></td>
<td>$45,280.38</td>
</tr>
<tr>
<td>16</td>
<td>$9,113.28</td>
<td></td>
<td>$53,394.97</td>
</tr>
</tbody>
</table>

Name: 100 Waverley Oaks Palo Alto CA

Financing options introduced
# Consumer Asks for a Quote

**Request a Free Estimate**

Please complete the following form to receive an estimate from a qualified installer.

- **First Name**
- **Last Name**
- **Email**
- **Phone Number**
- **Address**
- **City**
- **State**
- **Zip Code**
- **Property Type**
- **Best time to reach you**
- **Average Monthly Bill**
- **Power Company**

To qualify for solar financing, you need to have excellent credit. Do you have a credit score of 720 or greater?

- Yes, I have a 720 credit score.
- I'm not sure what my credit score is.
- No, I'm interested in a cash purchase.
Installer(s) are Assigned

This action will Distribute this Sales Prospect to Tools Users in your Sales Network that are within 150 miles from the Lead`s zip code.

Select Recipients

- Apple: Kathy MacArthur, Cupertino, CA (37 miles)
- Boykin & Boykin Construction: Kahu Boykin, Winton, CA (103 miles)
- Build By Design Inc.: John Townsend, Campbell, CA (42 miles)
- Clean Power Finance: Jeremy Hammond, Alameda, CA (7 miles)
- Clean Power Finance: CPF Tools, San Francisco, CA (0 miles)
- ConergyDealer: TestUserForConergyEdition, SF, CA (0 miles)
- ESN: Scott Ragsdale, Davis, CA (67 miles)
- Green Sky Solar: Kyle Prusco, Livermore, CA (36 miles)
- GreenLight Solar: Brandon Deno, San Francisco, CA (5 miles)
- Integrated Power Corp.: Eric Pollock, Novato, CA (26 miles)
- Integrated Power Corporation: Katie McDevitt, Novato, CA (26 miles)
- KBSCLAR: Ken Barraza, San Jose, CA (39 miles)
- Mr. Eletric: Barbra Kerr, Soulsbyville, CA (118 miles)
- NextEnergy: John Bissell, Concord, CA (26 miles)

- Leads can be distributed by CPF or distributor / manufacturer partners
- CPF earns fees from either partner or end installer
Installer Receives Lead

New (Active) Sales Prospects

Show All Prospects ( Archived and Active)

Sorted by: Last Name
Re-Sort by: Origination Date | Provider | Source | Assignee Last Name

1

Provider: CPF Development
Source: Originated: Jul 09, 2008
Last Updated: Jul 09, 2008
Type: PY
Interest Level: Install within Next Year
Message: Residential Job

Other Team Member`s Sales Prospects

Access not granted to view other account jobs & sales prospects.
Installer Models Remotely
### Installer Generates Quote

#### Major Equipment & Labor

<table>
<thead>
<tr>
<th>Description</th>
<th>MRP &amp; Quote Model</th>
<th>Price to Quote</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV Panels: 23 x BP175 I</td>
<td>$19,642</td>
<td>$196.42</td>
</tr>
<tr>
<td>Inverters: 1 x IG 5100 POS</td>
<td>$2,133</td>
<td>$213.30</td>
</tr>
<tr>
<td>Balance of System</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Direct Labor</td>
<td>$2,979</td>
<td>$297.90</td>
</tr>
<tr>
<td>General &amp; Admin: Minimum G&amp;A in your Quote Model is $250.</td>
<td>$362</td>
<td>$36.20</td>
</tr>
</tbody>
</table>

**Total:** $25,116

At 4.03 kW STC, 3.37 kW CEC

#### Adders & Allowances

(as assigned on EQUIP screen)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Price</td>
<td>$25,116</td>
</tr>
</tbody>
</table>

#### System Metrics

- Line Item Gross Margin (Adjustable): 20%
- Actual Installer Gross Margin: 20.2%
- System Dollars per Watt: $6.24 DC (STC); $7.45 AC (CEC)

No Rebates to display for this Job

**Total Price:**

(Customer Out-of-Pocket)

**$25,116**

#### Loan Modeling

- Finance Method: Loan: Fixed rate & amortization
- Loan Amount: $25,116
- Loan Term: 360 months
- Interest Rate: 8.50% apr

### Key Points

- Data automatically imported from lead
- Preliminary quote for site visit, final quote after
- Allows installer to adjust to meet both customer and employer metrics
- CPF earns subscription and transaction fees
- Financing integrated into proposal
Installer Presents Proposal

### Financial Analysis

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility Savings Over System Life</td>
<td>$48,025</td>
</tr>
<tr>
<td>Total Life-Cycle Payback</td>
<td>254%</td>
</tr>
<tr>
<td>Reduction in Green House Gas Emissions</td>
<td>104 tons of CO2</td>
</tr>
<tr>
<td>Levelized Cost of Solar Energy</td>
<td>$0.12 / kWh</td>
</tr>
<tr>
<td>System Resale Value</td>
<td>$23,220</td>
</tr>
</tbody>
</table>

### Cost Breakdown

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross System Cost</td>
<td>$26,400</td>
<td>($6.68/watt DC, $7.75/watt AC)</td>
</tr>
<tr>
<td>CA Expected Perf-Based Buydown (EPBB)</td>
<td>($3,749)</td>
<td></td>
</tr>
<tr>
<td>Installer Contract Cost</td>
<td>$22,651</td>
<td>($5.66/watt DC, $6.65/watt AC)</td>
</tr>
<tr>
<td>Sales Tax (8.00%)</td>
<td>$1,832</td>
<td></td>
</tr>
<tr>
<td>Federal Tax Credit/Tax Impact</td>
<td>($7,345)</td>
<td>($4.28/watt DC, $5.03/watt AC)</td>
</tr>
<tr>
<td>Net Cost (year of installation)</td>
<td>$17,138</td>
<td></td>
</tr>
</tbody>
</table>

### Monthly Electricity Use and Amount Supplied by Solar

- **PV Supply**: Monthly electricity use and amount supplied by solar
- **Energy Use**: Monthly electricity use and amount supplied by solar
- **71% of Electric Usage Supplied by Solar**

### Monthly Electric Bill Savings

- **Bill Reduced by 76%**

### Annual Utility Costs Over Time

- **Bill Before Solar**
- **Bill After Solar**

### Cumulative Cash Flow

- **Cash Flow in Year**

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**Note:** The charts and graphs illustrate financial and energy-related metrics for a solar installation proposal, including cost breakdowns, financial analysis, and projections for energy savings and utility cost comparisons over time.
Installer Initiates Financing (future)

New Customer Financing Request

Required fields are shaded yellow.

Save Send (Hit Send to email your customer with a link to their application)

<table>
<thead>
<tr>
<th>Financing Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Type:</td>
</tr>
<tr>
<td>Amount:</td>
</tr>
<tr>
<td>Status:</td>
</tr>
</tbody>
</table>

The customer must have excellent credit to qualify for this product, which offers an unsecured loan for up to $100,000. This loan is not secured by the customer’s home.

<table>
<thead>
<tr>
<th>Customer Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Name:</td>
</tr>
<tr>
<td>First Name:</td>
</tr>
<tr>
<td>Home Phone:</td>
</tr>
<tr>
<td>Work Phone:</td>
</tr>
<tr>
<td>Email:</td>
</tr>
<tr>
<td>Cell Phone:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>Address (cont):</td>
</tr>
<tr>
<td>City:</td>
</tr>
<tr>
<td>State:</td>
</tr>
<tr>
<td>Zip Code:</td>
</tr>
</tbody>
</table>

Email to Send to Customer (Hit Save button to refresh text)

Dear Adam Marsh,

Thanks for working with Clean Power Finance on your solar project. We have partnered with Clean Power Finance to offer you options for financing your...
CPF Fulfills Financing (future)

- Installer receives up-to-date status info on application
- CPF staff consults with consumer, collects docs, closes financing
- CPF earns fees as broker / facilitator or PPL operator
Other

• Now
  – Rebate and interconnection agreements
  – Distributors and manufacturers editions
  – Group insurance

• Future
  – Point-of-sale real-time financing
  – Enterprise products for distributors, manufacturers and others in value chain
  – Procurement including bidding and ordering
  – Hot water and energy efficiency
  – More and more contractors – green jobs
Enabling Green Jobs

Potential market of 1.7M contractors!

CPF installers did 41%+ of CA Solar installs

Residential CA Solar PV Installations
(CSI data 1/07 - 6/09)

Total Installations: 23,683

Long tail (<100 systems) is 28% of the market
## The team

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joseph Brakohiapa</td>
<td>CEO</td>
<td>• 20+ yrs in channels and distribution&lt;br&gt;• Veteran of 5 startups&lt;br&gt;• Corporate leadership experience at HP and CA</td>
</tr>
<tr>
<td>Adam Marsh</td>
<td>CTO</td>
<td>• 20+ yrs as technology entrepreneur&lt;br&gt;• Raised $42M as founder Coactive Networks&lt;br&gt;• MIT Physics</td>
</tr>
<tr>
<td>Dan Poore</td>
<td>VP of Sales</td>
<td>• 25+ yrs in technology and energy finance&lt;br&gt;• Founding member at Solar Power Partners</td>
</tr>
<tr>
<td><strong>Board</strong></td>
<td></td>
<td>• Nat Goldhaber, Claremont Creek Ventures&lt;br&gt;• Jeff Barnes, Clean Pacific Ventures&lt;br&gt;• Ralph Eschenbach, Trimble Navigation&lt;br&gt;• Gary Kremen, Match.Com, Sex.com and 50+ private investments (Greenbox, Recurve, Enmetric, People Power, Solar Universe, SunLink, etc.)</td>
</tr>
</tbody>
</table>
Conclusion

- Soft cost are important