



Residential Solar Finance 101: Accessing Capital Markets to Grow Your Business



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Overview

Solar is Booming

Residential Solar is a Huge Market Opportunity

People Are Going Solar

Industry Grew 20% in 2013: US Economy Grew 1.9%⁽¹⁾

Financing Is Driving the Solar Market

Financing Allows Consumer Access to Residential Solar

Investors Like This Asset Class, Investing Significant Capital

Clean Power Finance Enables Financing

Connects Supply and Demand Through Scalable, Online Platform

Flexible, Unbranded Model Attracts New Players

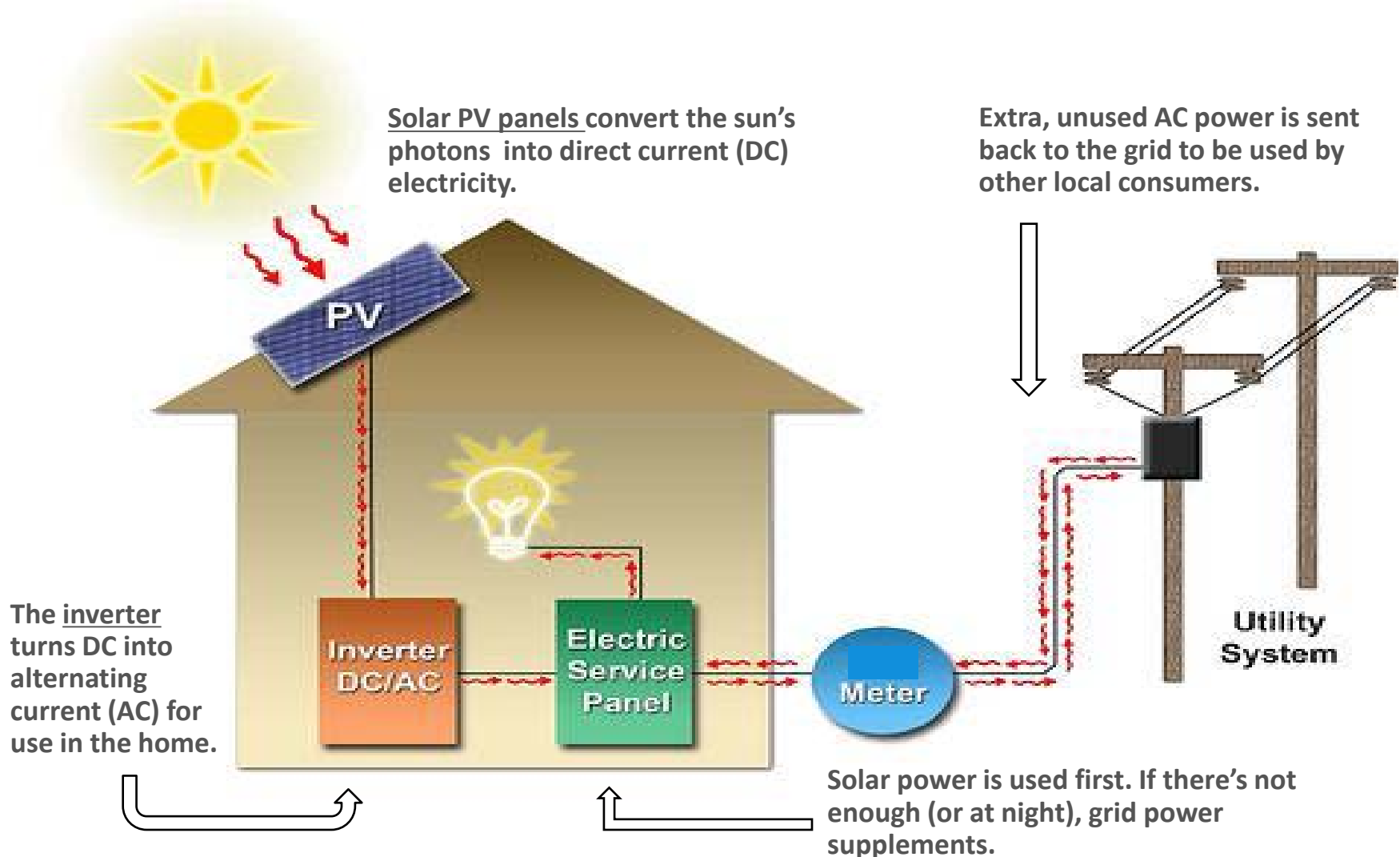
Large Opportunity for New Market Entrants

Access New Deal Flow

Gain Insight into A Large, Evolving Market

Residential Solar in the U.S.

What Is Residential Solar?



Snapshot: Residential Solar in the U.S.

More than **360,000 homes** across the country have solar systems⁽¹⁾

Someone installs a residential solar system in the U.S. **every 4 minutes.** ⁽²⁾



56 Million U.S. Households
Can Refinance Their
Electricity for the 1st Time

<1% of the Market Has
Been Penetrated

(1) (2) Source: Greentech Media Q3 2013 SMI Report

Trend 1: Financing Is a Key Market Driver

Residential is the **fastest-growing segment** in the U.S. solar market.⁽¹⁾

Barriers to Adoption:

- High up front cost
- Maintenance concerns
- Customer confusion

FINANCE PRODUCTS
Solar Leases and Power
Purchase Agreements
(PPAs)

Consumer Benefits:

- Little/no money down
- Professional services for O&M
- Lower electric bills

People Overwhelmingly Go Solar To
Save Money

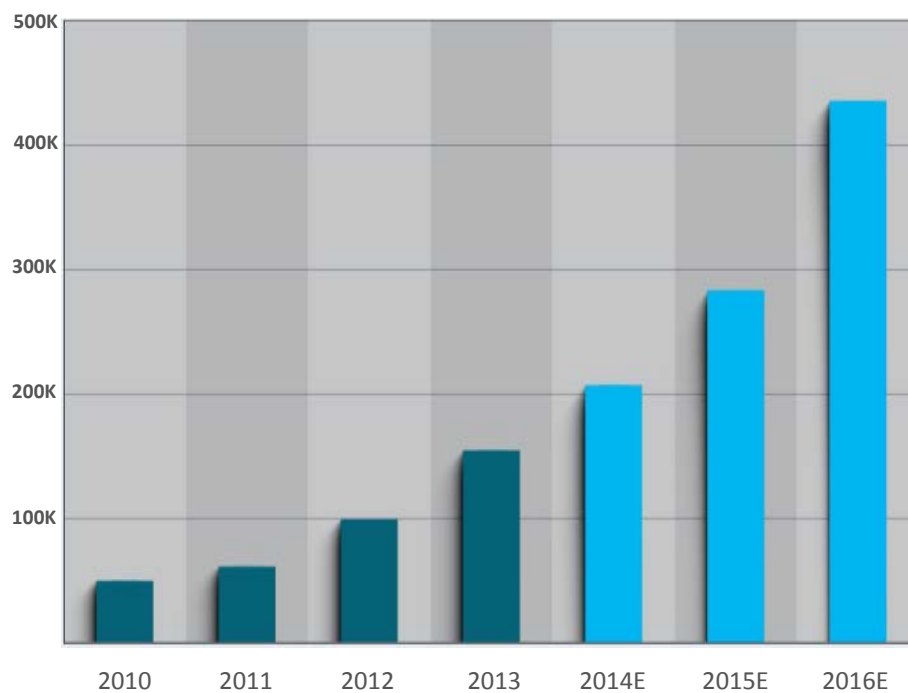
Clean Power  Finance



Residential Solar – and Financing - Are Going Mass Market

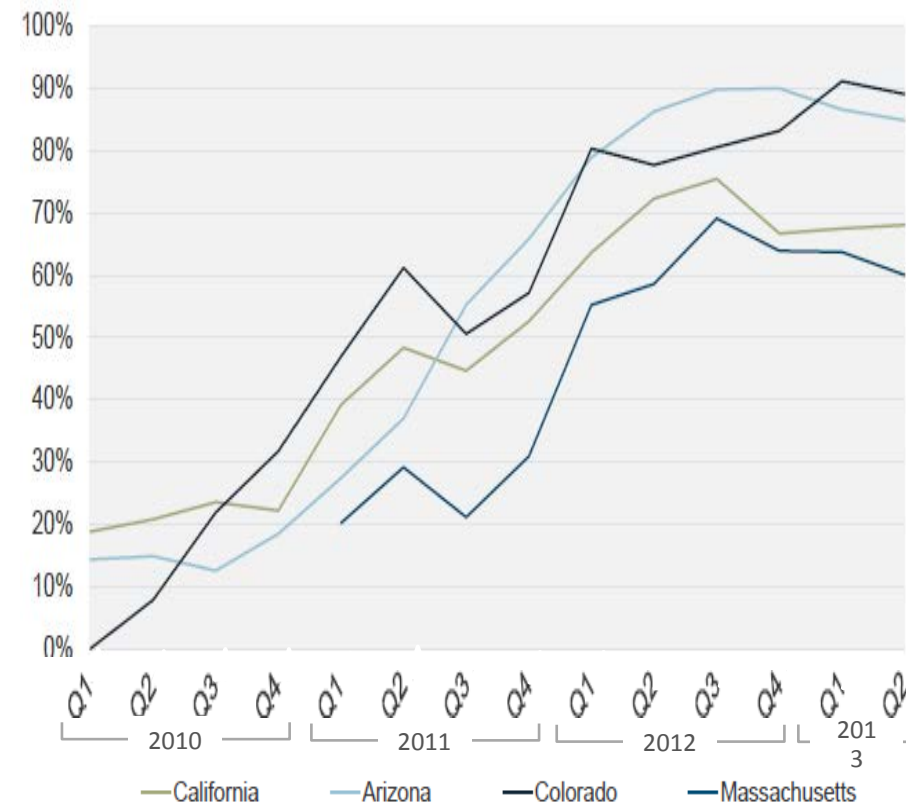
More U.S. Homes With Solar Installed

Solar Homes Installed

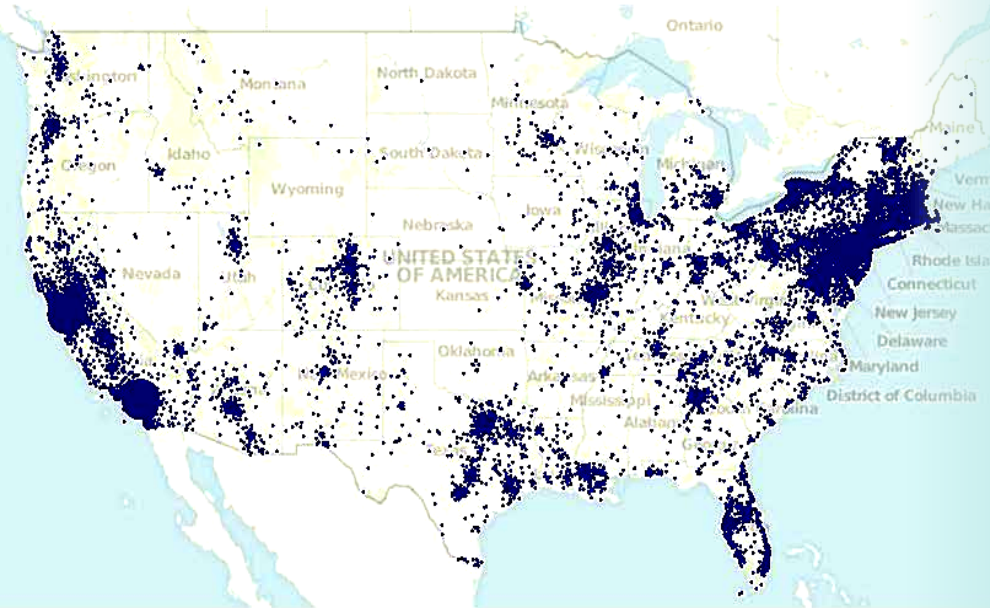


Increased Use Of Solar Financing

% Financed



The Next Wave of Consumer Financing



Investors Like Residential Solar

An Attractive Asset Class

Relatively High Returns with Relatively Low Risk

Capital Providers Include Banks, Electric Utilities, Corporates



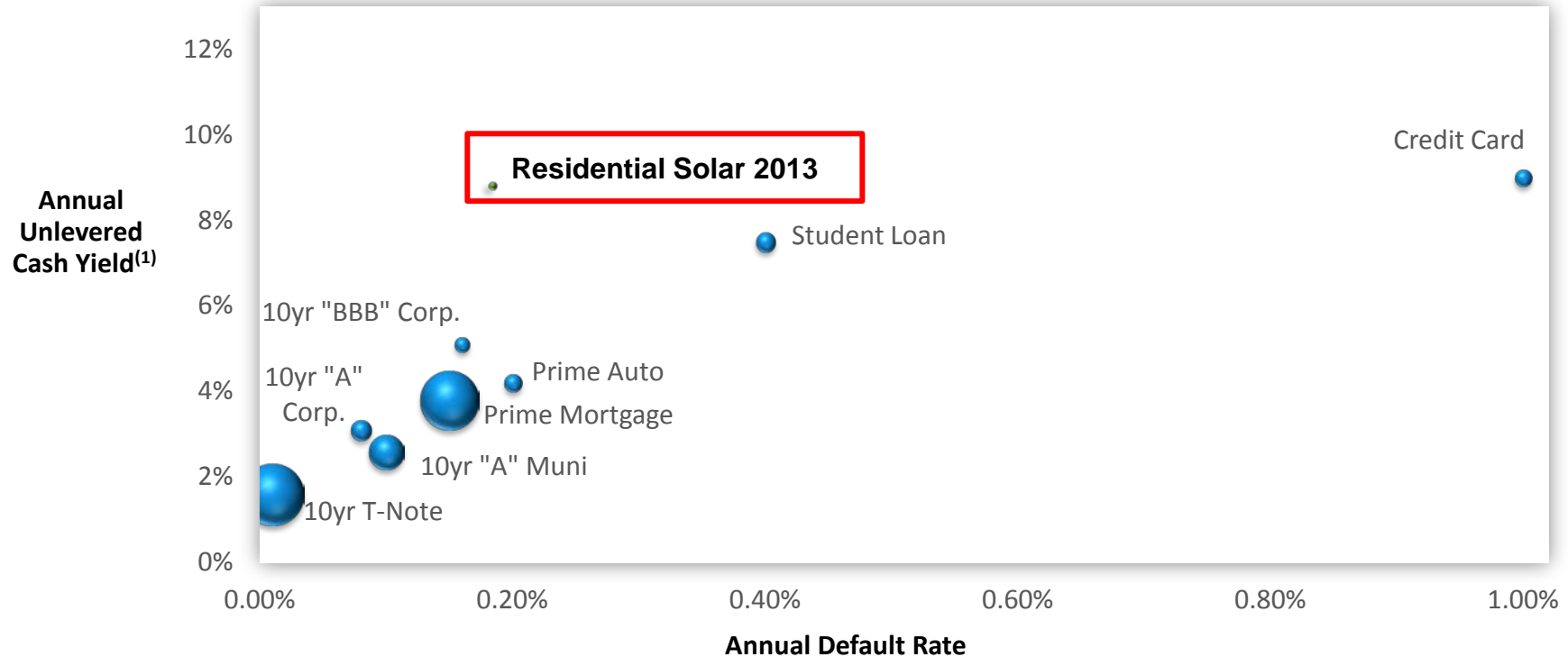
MORTGAGE FINANCING
\$2 Trillion
 Annual Market

AUTO FINANCING
\$90 Billion
 Annual Market

EDUCATION FINANCING
\$26 Billion
 Annual Market

ELECTRICITY FINANCING
\$6 Billion
 Annual Market (E)

Trend 2: Investors Realizing High Risk-Adjusted Returns; An Increasingly Compelling and Credible Asset Class



Consumers Overwhelmingly Pay Their Electric Bills

Clean Power Finance

Clean Power Finance's Platform Enables Financing



Solar Professionals

Grow Their Businesses by Offering Compelling Solar Finance Products to Homeowners

Investors

Ability to Efficiently Manage Risk and Invest in A Residential Solar Portfolio

Top Investors



Major Fund Investors



How It Works

Origination and Construction

Underwriting

Ongoing Operations

Verified Professionals

- Designs System
- Generates Proposal
- Selects Financing Options
- Sells Consumer

Clean Power Finance

- Underwrites Consumer
- Confirms Deal Meets Product Parameters

Investor

- Locks Price
- Reserves Capital

How It Works

Consumer Accepted



Verified Professionals

- Completes Construction
- Agrees to Warranties

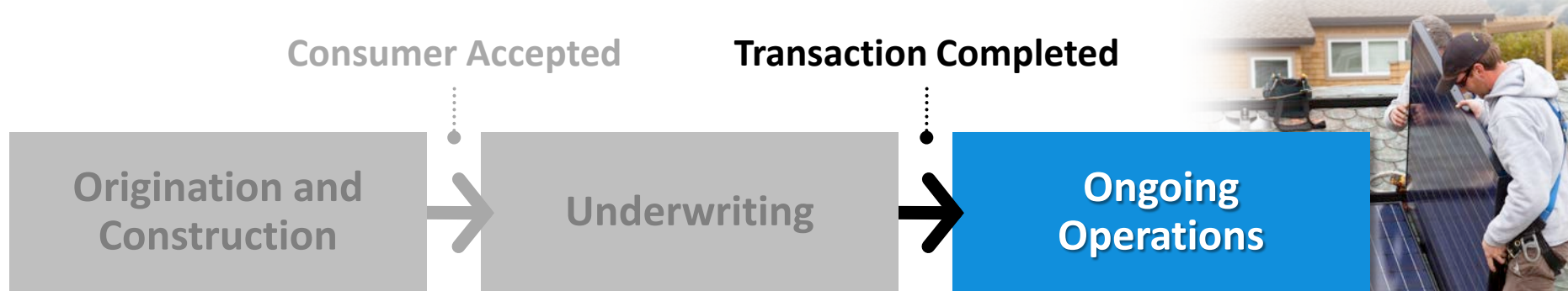
Clean Power Finance

- Underwrites the System (Reviews Construction Documentation)
- Transacts Purchase

Investor

- Pays Installer
- Takes Ownership of Completed System

How It Works



Verified Professionals

- Services Warranties
- On-Call Maintenance

Clean Power Finance

- Manages Assets for Investors
 - Monitors Systems
 - Manages Maintenance
- Arranges Billing & Payment Collections
- Customer Service

Investor

- Earns Returns

Market Opportunities

Trend 3: New Business Ventures Capitalizing On Increasing Consumer Engagement With Electricity

Google Buys Nest for \$3.2BN

- Home automation company
- Designs and manufactures smart thermostats & smoke detectors
- Emphasizes user experience



Comcast Partners with NRG

- New industries partnering with energy companies
- Cable providers, alarm companies, etc.
- Bring customer acquisition expertise to retail electricity



- Software-as-a-Service company
- Helps utilities promote energy efficiency
- Provides customers with personalized ways to save energy & money.



- CPF connects supply and demand
- Unbranded platform enables traditional businesses to access residential solar opportunity
- Electricians, roofers, utilities



Energy Software Company
Opower Files for IPO

IntegrYS Energy Services Invests
in Solar Through CPF

Key Takeaways

Trend 1:

Financing Is A Key Driver of Growth In US Solar Market, Particularly Residential Sector

Trend 2:

Favorable Returns with Managed Risk Are Attracting Major New Solar Investors from Variety of Industries

Trend 3:

New Business Opportunities Proliferate as Consumers Use New Technologies to Engage with Electric Power

The CPF Market Connects Industries For Win-Win Outcomes

Clean Power Finance



Thank You



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