









GENERATE CAPITAL

Financing the Resource Revolution

Intersolar
July 2018

Generate Capital underwrites three large and growing categories of the Resource Revolution

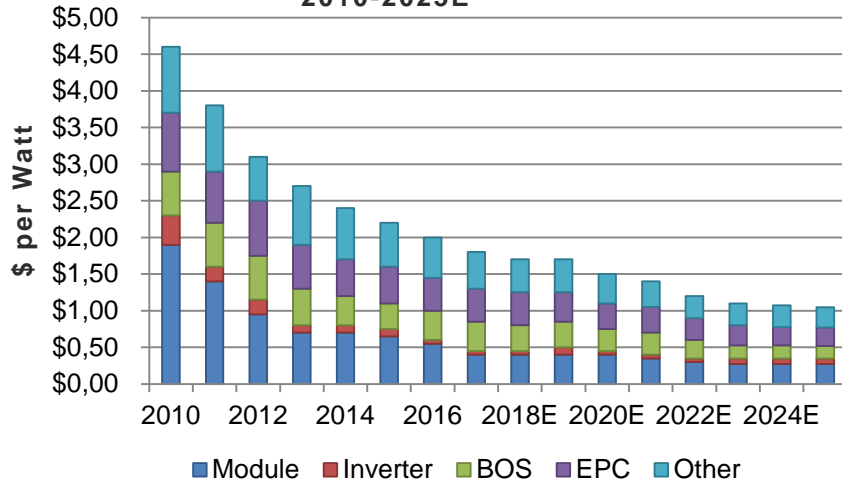
		Subsectors	
	Electric Generation	<ul style="list-style-type: none">▪ Solar and other renewables, Storage, CHP, waste heat, etc.	
	Energy Efficiency	<ul style="list-style-type: none">▪ Lighting, controls, HVAC, transportation, etc.	
	Waste-to-Value	<ul style="list-style-type: none">▪ Organic waste, tire recycling, wastewater, etc.	

Generate finances developer partners with proven experience, large pipelines, and demonstrated trustworthiness

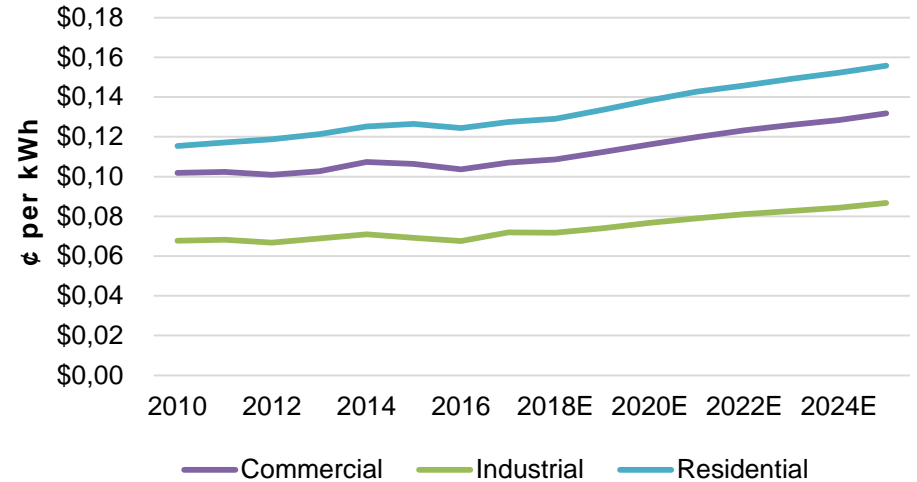
- **Experience.** Preferred developer partners have completed at least 5MW of enterprise projects in the states where we're asked to finance. Should have 3 years of active history
- **Pipeline.** Seek partners who bring us >\$5mm of financeable solar deals per quarter.
- **Trustworthiness.** We expect developers to bring us their best projects, convey honest information, use our standardized documents, and provide market information.

Solar Cost and Grid Pricing Trajectories Paint Promising Picture

Non-Residential Solar PV CAPEX Forecast, 2010-2025E



US Retail Power Price Forecast by Sector, 2010-2025E



\$1/watt by 2025

Growing Retail Electricity Prices Open More Markets

- Average Electricity
- EIA forecasts retail power prices to increase at a ~3% CAGR through 2025. As solar capex falls and the price of grid power increases, the potential addressable market for non-residential solar should expand.

Mainstream Perception of Solar Lowers Risk Aversion

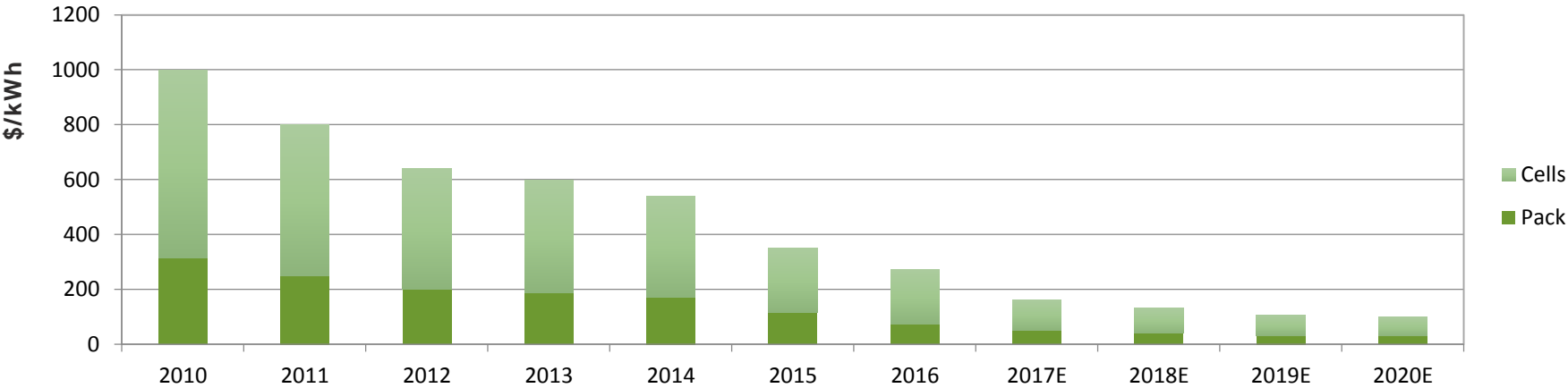
- Percentage of property owners who perceive solar as “risky” continues to decrease


Business Model Innovation

- Community Solar
- Roof Leasing Programs that pay rent to landlord and sells electricity/other services to tenants
- Value stacking of solar / efficiency / grid services

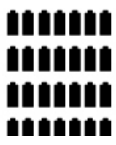
Production Scale Driving Storage Costs Lower

Lithium-Ion Battery Capital Cost (\$/kWh)





Global lithium-ion battery production will increase by 521% between 2016 and 2020.

Capacity in 2016

28 GWh

Capacity in 2020

174 GWh

Source: Adaptation from BNEF 2017; Benchmark 2017.

Today's Market is a Market of Specialists And Financiers Finance in those Silos

- **Solar**
- **Storage**
- **Efficiency.**
- **Microgrids**

But Silos are a race to the bottom in Terms of Cost

- **Winner's Curse.**
- **If you win the deal. You lose.**
- **Continued specialization in only one area will lead to many losers**

Solar Sales Experts are the Best in Energy Solar Market Will Migrate to Sell Broader Solutions

CONVERGENCE

1. Efficiency
2. Resiliency
3. Grid Services
4. Micropayments
5. Leverage Installed Base

FUTURE

Holistic
Distributed / Interconnected
Future
In Addition to
Central Utility Grid

Solar Sales Experts are the Best in Energy Solar Market Will Migrate to Sell Broader Solutions

CONVERGENCE

1. Solar
2. Efficiency
3. New Roofs
4. Microgrids
5. HVAC.

FUTURE

Seek and Sell
Complete Solutions

Integrate Multiple
Technologies into a Unified
Whole



GENERATE CAPITAL