



The Alabama*SAVES* Revolving Loan Program for Energy Efficiency



Technology Optimization | Financial Solutions | Performance-Based Services

WHO WE ARE



Energy Management
Technology



Financial Solutions
and Underwriting



Building Science and
Engineering

Abundant Power is an energy management and financial services company focused on providing transformative financial and technology solutions for the built environment ecosystem.

WHO WE ARE: LEADERSHIP TEAM



Great People | Right Skills | Deep Experience



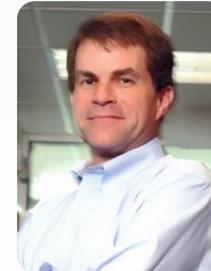
Shannon Smith
CEO

- Founder of Abundant Power
- More than 20 years of investment and project finance experience.
- BA from Wheaton College & MBA from UVA
- Boards of EDF, NCSEA, AEE



Greg Montgomery
CFO

- Broad financial expertise : 25 years in investment banking and law.
- Licensed attorney, registered securities representative.
- JD/MBA from Tulane University & BA in Environmental Sciences from UVA



Dank Pinckney
COO

- Extensive experience in the origination and servicing of energy efficiency and mortgage assets.
- Served as Executive Vice President for HSBC Holdings, PLC for managing owned and third party mortgage loan portfolios(+\$100B).
- JD from USC; licensed attorney



Michael McHugh
Director of Business Development

- Extensive experience in energy efficiency, real estate, construction and engineering
- Boards of USGBC & Green Resource Center of Alabama
- BS in Construction Management from LSU
- LEED Green Associate.



Derek McGarry
CXO

- More than 12 years of HVAC engineering, retro-commissioning and energy efficiency retrofit experience.
- BS in Mechanical Engineering from Cornell University.
- LEED Accredited.



Trey Davis
Director of Analytics

- Extensive systems engineering background
- Adept user of Metrix software, able to conduct highly sophisticated analytics and tracking of energy performance.
- Graduate of Wake Forest University and Collage of Engineering at UNC Charlotte

Abundant Power provides the necessary core competencies to accomplish project assistance, project approval, and any of the four key Program EM&V strategies.

- AP's Engineering and Analytics Team has extensive experience analyzing and underwriting project development and management data to maximize successful project outcomes through each phase of an energy efficiency project:
 - A. Benchmarking & Opportunity Assessment (BEPA and ASHRAE Level I)*
 - B. Energy Assessment (ASHRAE Level II/III)*
 - C. Execution (Engineering, RCx and Construction Management)*
 - D. EM&V (IPMVP)*
- Energy Star is a benchmarking and EM&V methodology used to minimize development and reporting costs and enhance tracking capacity. AP has extensive experience leveraging the Energy Star Portfolio Manager.
- AP has developed a low-cost continuous EM&V service, EAPx, that will be discussed later.

EXPERIENCE WITH ENERGY EFFICIENCY PROGRAMS



AP designs and manages energy efficiency financing programs nationwide, enabling more than \$300 million in energy efficiency implementation.

ALABAMA SAVES™
Sustainable and Verifiable Energy Savings

alabama wise™
Worthwhile Investments
Save Energy

ST. LOUIS COUNTY SAVES™
Sustainable and Verifiable Energy Savings

SOUTH CAROLINA SAVES™
Sustainable and Verifiable Energy Savings

DC
PACE COMMERCIAL
an energy finance solution

EPx™
ENERGY PERFORMANCE COMMISSIONING

Revolving Loan Funds (RLFs)

- **Alabama SAVES™** – \$65 million Med/Large Commercial, Industrial, Non-profits
- **Alabama WISE™** – Pilot program for residential retrofits

Qualified Energy Conservation Bonds (QECS)

- **St. Louis County SAVES™** – \$10.3 million Residential and Commercial
- **South Carolina SAVES™** – \$10 million Commercial, Industrial and Institutional

Property Assessed Clean Energy (PACE)

- **DC Green Forward** – \$250 million Commercial & Industrial

Energy Management Services Agreements (EMSA)

- **EPx™** – \$12 million SF Small/Med Commercial

INNOVATIVE CAPITAL STRUCTURES IN THE SOUTHEAST



ALABAMASAVES™
Sustainable and Verifiable Energy Savings

SOUTH CAROLINA SAVES™
Sustainable and Verifiable Energy Savings

ST. LOUIS COUNTY SAVES™
Sustainable and Verifiable Energy Savings

DC
PACE COMMERCIAL
an energy finance solution

charleston wise
Worthwhile Investments Save Energy

alabama wise
Worthwhile Investments Save Energy

EPX™
ENERGY PERFORMANCE COMMISSIONING



SAVES PLATFORM

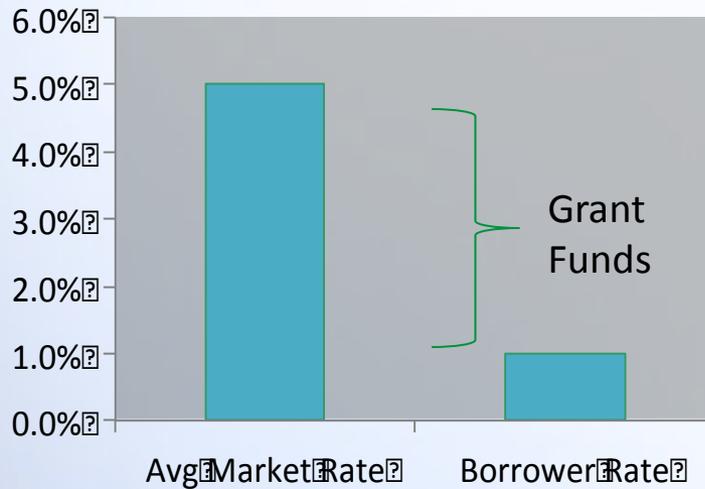
CREDIT ENHANCEMENT STRUCTURE



SUBSIDIZED LOANS

Interest Rate Buy-Down

- Allows private lenders to attract business
- Maintains low rate for private financing



Lending Partners



ALABAMASAVES™ PROGRAM



ADECA – Energy Division of Alabama – Program Sponsor
Abundant Power – Program Administrator and Primary Originator

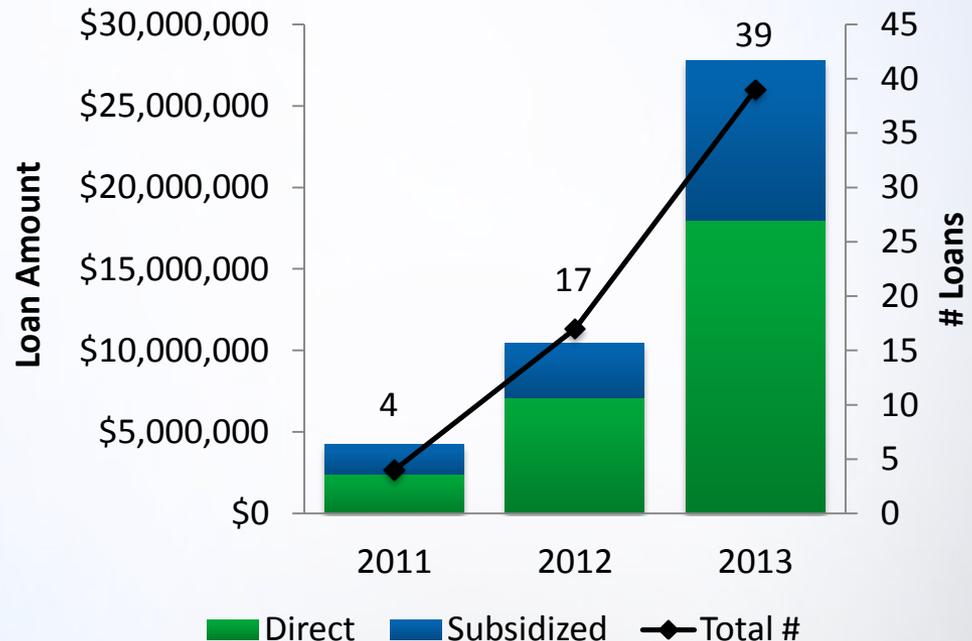
ALABAMASAVES™
Sustainable and Verifiable Energy Savings

www.AlabamaSAVES.com

Enabling Alabama businesses to achieve operational savings through energy efficiency

- \$65M revolving loan fund based on \$25M SEP grant
- Secure below-market rate financing, as low as 1%.
 - Direct - \$15M
 - Subsidized - \$50M (5:1 leverage)
- Purchase and install equipment for energy-efficient fixtures and deep retrofits, renewable-energy systems and alternative fuel projects
 - Must achieve better than a 10 year simple payback or meet ASHRAE 90.1 2010
 - Loan Size:
 - \$50,000-\$4,000,000

AlabamaSAVES Loan Volume



Key elements of success for the Program to date:

ALABAMASAVES™
Sustainable and Verifiable Energy Savings

- Funding commitments for 30 commercial loans totaling approximately \$20 million with average loan size of \$650k and payback of 5.3 years
- Energy efficiency in 35 commercial and industrial buildings, approximately 7MM sq. ft.
- Private capital participation for 19 loans, resulting in 5:1 leverage of Program funds
- Diverse project finance across all geographic areas of the State and all commercial sectors - industrial, manufacturing, office, retail and warehouse
- Wide range of energy conservation measures financed – lighting, controls, HVAC and chillers, industrial processes, solar
- Estimated 200 jobs created
- Estimated annual energy savings of 27,000 MWh's and reduction of 19,000 metric tons of CO2 emissions
- Superior asset performance with no defaults to date despite intentional flexibility in credit quality of borrowers due to internal energy and credit underwriting practices
- Transparent and consistent Program processes and structured Program governance

KEY COMPONENTS FOR SAVES COMMERCIAL



Expression of Interest Form

- **Vendor Proposal**
 - **Project Cost**
 - Min: \$50,000
 - Max: \$4,000,000
- **Energy Assessment**
 - **Project Validation**
 - Before/after description
 - Utility rate
 - Projected annual savings
 - 10-yr payback or better
 - Assumptions
 - Vendor proposals

Loan Application

- **Application Fee**
 - >\$250,000 = \$1,000
 - <\$250,000 = \$500
- **Subsidized Loan**
 - **Lender provides:**
 - Terms
 - Approval summary
 - **Abundant Power communicates:**
 - Interest Rate Buydown
 - 10% Loan Loss Reserve
- **Direct Loan**
 - **Borrower provides:**
 - 2-yrs audited business financials
 - Personal guarantor(s) financials/tax returns
 - Property valuation reports

SAVES Funding and Implementation

- **Loan Review and Governance Committee Approval**
 - Energy and Credit Underwrite
- **Subsidy/Loan Documents**
 - Prepared and signed
- **Construction Compliance**
 - List of all contractors and subs
 - Construction timeline
- **Davis Bacon Act**
 - Payroll forms
 - Prevailing wage rates categorized by County can be found at www.wdol.gov
 - On-site Interview
 - Servicing
 - Monthly Reporting

SAVES PROGRAM DESIGN & ADMINISTRATION

As SAVES Program Designer and Administrator, Abundant has established a role that includes:



- Platform design and implementation
- Marketing, pipeline development and project origination
- Qualifying and management of contractors and other service providers
- Credit and energy underwriting for all projects
- Loan fulfillment and funding
- Project monitoring and facilitation
- Stakeholder communications
- Loan Review and Governance Committee cadence
- Regulatory compliance and reporting
- Loan servicing and reporting

EPX: ENERGY EFFICIENCY AS A SERVICE



No Cost | Performance Based Service | Turnkey | Non-Disruptive

EPx investment and ongoing services optimizes building operations and improves NOI. As a performance-based service, EPx provides the building owner with infinite returns.

Energy Efficiency Made Simple

WE INVEST



YOU SAVE

Retro-Commissioning

Operational Improvements

Technology Upgrades

Installation of Monitors & Controls

Active Energy Management

24/7/365 Monitoring

EPx Alabama launched in 2013 as an additional service offered through AlabamaSAVES

- Reviewed and approved by DOE and granted inclusion within AlabamaSAVES
- Facilitates energy savings and economic development in Alabama
- Reaches a broader cross section of borrowers, including more small and medium-sized businesses
- Service offering for the deployment of retro-commissioning, smart technology and active energy management in Alabama
- Takes advantage of low cost funding from SAVES revolving loan fund
- Funds for EPx Alabama are loaned to a special purpose entity (SPE) and deployed in five-year contracts to commercial facilities (25,000 – 1 million square feet) and lodging entities
- Approved measures and improvements result in 20-40% energy savings, which repay the SPE financing, resulting in no capital outlay by the facility owner



Our mission is to expand energy efficiency in the built environment through innovation and excellent delivery of transformative financial and technology solutions that motivate building owners and occupants to make lasting change in energy consumption.



For more information, please contact:

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