

BlueEarth





## **Safe Harbor Statement**

MATTERS DISCUSSED IN THIS PRESENTATION CONTAIN FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS DOCUMENT, THE WORDS "ANTICIPATE," "BELIEVE," "ESTIMATE," "MAY," "INTEND," "EXPECT" AND SIMILAR EXPRESSIONS IDENTIFY SUCH FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS, UNCERTAINTIES, ASSUMPTIONS, AND OTHER FACTORS THAT MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED, EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THESE FACTORS INCLUDE, BUT ARE NOT LIMITED TO, RISKS AND UNCERTAINTIES ASSOCIATED WITH THE IMPACT OF ECONOMIC, COMPETITIVE AND OTHER FACTORS AFFECTING THE COMPANY AND ITS OPERATIONS, MARKETS, PRODUCTS AND CUSTOMERS, AND OTHER FACTORS DETAILED IN PERIODIC REPORTS FILED BY THE COMPANY WITH THE SEC. THIS PRESENTATION CONTAINS PROJECTIONS RELATED TO OUR FUTURE OPERATIONS, WHICH WERE PREPARED BY US AND THEY ARE SUBJECT TO UNCERTAINTY AND A COMPLEX SERIES OF FUTURE EVENTS BOTH INTERNAL AND EXTERNAL.



## **An Energy Solutions Company**

**NASDAQ:BBLU**

**We Reduce our Customers Energy Cost**

**WE PRODUCE ENERGY AT CUSTOMERS SITE (DISTRIBUTED GENERATION):**

**Cogeneration (CHP): Food Processors and large commercial buildings and Solar**



*717 Fifth Ave  
New York, NY  
1,640 kW*







## An Energy Solutions Company

**NASDAQ:BBLU**

**WE DECREASE OUR CUSTOMERS ENERGY CONSUMPTION**

**PROPRIETARY TECHNOLOGY: INTELLIGENT DIGITAL BATTERIES AND ENERGY MANAGEMENT SYSTEM (RTi Edge)**



Bendable Battery  
Variable Form Factor



RTi Edge





## **SOLAR EPC: ENGINEERING, PROCUREMENT, CONSTRUCTION**

### **PROJECTS UNDER CONSTRUCTION (EPC)**

- **Hawaii: one**
- **Lenape for NRG**
- **Pipeline: Multiple projects**

### **UTILITY SCALE PROJECTS (EPCM)**

- **Ruben Fontes, President of BE Solar: Formerly Chevron Energy Solutions**
- **Two key former associates at Chevron joined the BE Solar Team**
- **Large pipeline of developing projects (Utility Scale Pending)**





# Our Value Proposition



- **Executive management team with nearly 1GW of combined utility-scale and distributed generation solar experience**
- **Emphasis on the full life cycle of the project from early development through O&M and asset management**
- **Experience and expertise in evaluating potential projects and investment structures**
- **Determine project-specific investment structuring strategy**
- **Large network of project developers, consultants, tax equity firms, financial institutions, subcontractors, and take-out buyers**
- **Our long-term strategy may include additional ownership and operation of commercial and possibly utility-scale PV solar arrays**







## **CHP: Combined Heat & Power Cogeneration**

### **CHP POWER PLANT:**

- **USES NG OR METHANE GAS TO GENERATE ELECTRICITY**
- **USES WASTE HEAT FOR HEATING/COOLING/HOT WATER/STEAM**
- **UP TO 90% EFFICIENCY**

### **TWO OF OUR BUSINESS UNITS SPECIALIZE IN CHP**

- **BE GENERATOR: COMMERCIAL BUILDINGS**
- **BE CHP: LARGER CHP PROJECTS FOR FOOD PROCESSORS INITIALLY**





# **BE GENERATOR: CHP FOR COMMERCIAL BUILDINGS**

## **COGENERATION**

**CONSULTING: CHP STUDIES**

**DEVELOPMENT: COMPLETE PROJECT  
STRUCTURING**

**ENGINEERING PROCUREMENT &  
CONSTRUCTION**

**FINANCING**

## **SERVICE**

**MAINTENANCE: COMPLETE  
OPERATIONS, SERVICE & MAINTENANCE**

**COGEN MAINTENANCE &  
TROUBLE SHOOTING**

**EMERGENCY GENERATORS**

**OEM ACCOUNTS SUCH AS ISUZU  
& MULTIQUIP**



## BE GENERATOR: PRESENCE in NYC AREA



**CURRENTLY MANAGING ENERGY PLANTS IN 40 COMMERCIAL BUILDINGS  
IN NYC AREA**





**GENERATOR**



**717 FIFTH AVE,  
NEW YORK, NY  
1,640KW**

**ONE OF 40 COMMERCIAL  
BUILDINGS THAT WE MANAGE  
IN NYC AREA**

“ FREEDOM *to* CONTROL *your* ENERGY DESTINY *with* ZERO COMPROMISE ”



## **BE CHP: PROJECTS AND CUSTOMERS**

**JBS S.A.: “WORLD’S LEADING ANIMAL PROTEIN PROCESSOR”, ≈ \$40 BILLION ANNUAL REVENUES**

- **SUMTER, SC ENERGY PLANT: 1.39MW, ENERGIZED**
- **BROOKS, ALBERTA CANADA ENERGY PLANT: 13.78MW, NATURAL GAS HEDGED**

**WE BECAME AN INDEPENDENT ENERGY PRODUCER BY SUMTER ENERGY SALES**





## **Sumter, SC: 1.39 MW Energy Plant, Energized**

**BBLU's Initial CHP Energy Plant.**

**Energized March 30, 2015**

**BBLU is now an  
Independent Energy  
Producer.**

**We sell energy under long  
term agreements.**







## Brooks, Alberta Canada: 13.78 MW Energy Plant

**BBLU's Second CHP Energy Plant.**

**Drainage Work, Fall/Winter 2014**







## **BE CHP: SCALE THROUGH RELATIONSHIPS**

**EPC RELATIONSHIPS ENABLES SCALABILITY IN THE CONSTRUCTION OF ENERGY PLANTS UNDER THE DIRECTION OF PROJECT MANAGERS**

- **The Stellar Group, EPC for the Energy Plant at Sumter, SC**
- **DCO Energy, EPC for the Energy Plant at Brooks, Alberta Canada**
- **Other EPC relationships under discussion**

**PROJECT FINANCING IS AN ESSENTIAL COMPONENT FOR SCALABILITY.**

- **Funding of Sumter complete and Brooks interim financing complete.**
- **Senior debt relationships expected.**
- **YieldCo: A vehicle that decreases capital costs as larger renewable and alternative energy companies have done.**



## BBLU Forms YieldCo: E<sup>2</sup>B Growth, Inc.

E<sup>2</sup>B: A DIVIDEND GROWTH-ORIENTED COMPANY

- Formed to own and operate contracted clean power generation assets
- Acquire assets from BBLU and third parties
- Expected to pay dividends on a quarterly basis
- Another Funding Mechanism for Project Pipeline
- Mirrors the Model of Successful YieldCos





## Corporations that Sponsor YieldCos

### Sponsor

NRG Energy (NRG)

SunEdison (SUNE)

NextEra Energy (NEP)

Abengoa (ABGB)

First Solar (FSLR)

SunPower (SPWR)

### Yieldco

NRG Yield (NYLD)

TerraForm (TERP)

NextEra (NEE)

Abengoa Yield (ABY)

8 Point 3 Energy

8 Point 3 Energy



## Sponsor and YieldCo Relationship

Sponsor:  
BBLU

Develop and Construct Projects

Operates and maintains energy plants

Lower cost of capital

\*BBLU anticipates distributing units of YieldCo to our shareholders of record on a date TBD

YieldCo:  
E2B Growth

Purchase Projects COD, No Construction Risks

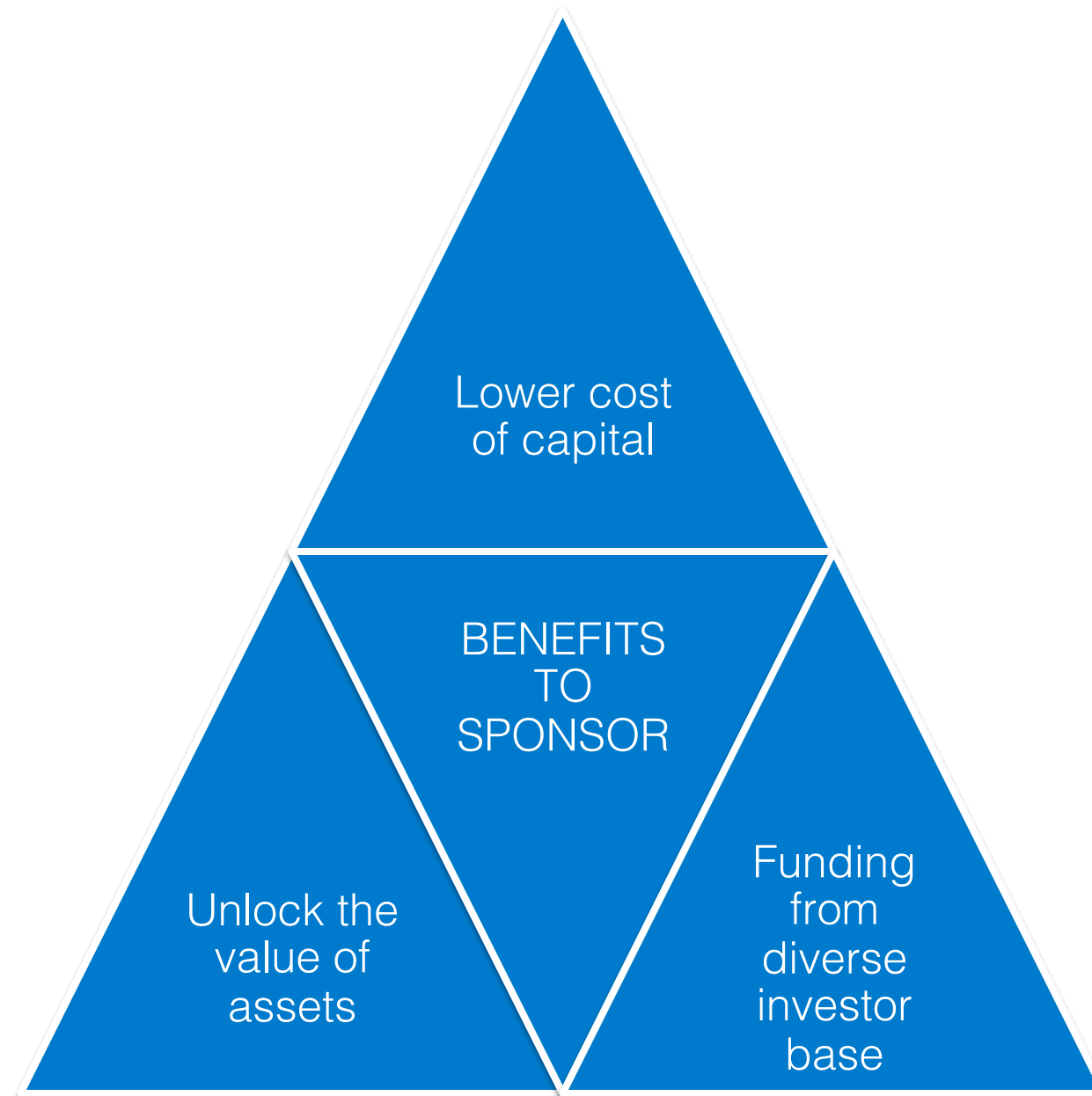
Receive Quarterly Dividends

Accretive Growth through acquisition of projects from BBLU and Third Parties





# Advantages to Investors and Corporate Sponsors



Market Response to YieldCos Has Been Positive



## **TECHNOLOGY AND ENERGY EFFICIENCY (EE)**

**RTi Edge™ SOLUTIONS: LOW COST, REAL TIME O&M**

**ALARMS PRE FOOD SPOILAGE**

**AUDIT TRAIL OF TEMPERATURES**

**INTRODUCE THROUGH KEEP YOUR COOL™ PROGRAM: APPROVED BY 20 UTILITIES**

**ANTICIPATE PRIVATE LABELING**

**UPSTEALTH® INTELLIGENT, NiZn DIGITAL BATTERY BACKUP SYSTEM**

**REAL TIME COMMUNICATION, RAPID RECHARGE**

**LONG LIFE, LOW MAINTENANCE, NON-EXPLOSIVE, NO HAZMAT**

**TRAFFIC INTERSECTIONS**

**INTELLIGENT DATA CENTERS**

**FOCUS ON ENERGY EFFICIENCY THROUGH USE OF RTI EDGE AND BATTERY TECHNOLOGY, REDUCED  
FOCUS ON RETROFITS AND LABOR INTENSIVE EE ACTIVITIES**



# POWER PERFORMANCE SOLUTIONS



*RTi EDGE*

“ FREEDOM *to* CONTROL *your* ENERGY DESTINY *with* ZERO COMPROMISE ”





# POWER PERFORMANCE SOLUTIONS

- **Real Time EM&V: Evaluation, Measurement and Verification**
- **Control, Monitoring, Auditing and Reporting**
- **System Optimization**
- **Real Time Situational Control and Response**
- **Pre-emptive Maintenance**
- **Easy Integration into Legacy Systems**
- **BACnet compatible**
- **Nervous System of the Blue Earth Energy Shopping Network**

“ FREEDOM *to* CONTROL *your* ENERGY DESTINY *with* ZERO COMPROMISE ”



## **BE EPS: UPSTEALTH® BATTERY BACKUP SYSTEM**

- **FIRST NON-LEAD ACID BATTERY BACKUP SYSTEM FOR TRAFFIC INTERSECTIONS: NiZn CHEMISTRY**
- **FLEXIBLE FORM FACTOR: NO PIGGYBACK OR EXTERNAL CABINET ENCLOSURES**
- **70% LIGHTER AND SMALLER THAN LEAD ACID SYSTEMS**
- **SAFE: NON-EXPLOSIVE AND NO HAZMAT ISSUES**
- **MAINTENANCE: CONTINUOUS MONITORING OF ALL CELLS**

# UPSTEALTH®

*Battery Unit*



*Inverter/Controller*



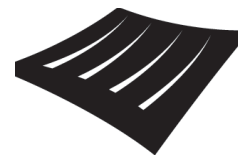
*Bendable Battery*



# Washington D.C DOT



Units: 38 Systems



## **UPSTEALTH<sup>®</sup>**

Oregon DOT – Biggs Junctions



Units: 3 Systems

Photo Credit Google Maps. Location: Biggs Junction

# Virginia DOT (HOT Lanes)



Units: 33 Systems

City of Boulder, CO



Units: 10 Systems

Photo Credit Google Maps. Location: Foothills Pkwy &





## **UPStealth® Testimonial City of Sacramento**

*“The UPStealth met all three of our city goals: To have a battery backup system that is reliable, powerful and holds a small footprint; to have a technology that is green and safe to use; to have a proven customer service component to address equipment failures quickly and easily. The UPStealth has now become the City of Sacramento’s standard.”*

*“The UPStealth saves us money. We don’t have to go out and condition the UPStealth as we did the lead acid batteries. We no longer have the huge cost for on-call, after hours and during work hours maintenance. It’s a huge amount of money for our staff to keep going out there. Now with the UPStealth, we’re saving thousands of dollars a year.”*

*“The UPStealth’s flexible design is really appealing. I don’t have to buy another cabinet. It just slides into the dead space not being used or can be configured to fit under shelves, on a door panel or on the sides of the racks. The fact the battery is green and energy efficient on top of that is just icing on the cake!”*

Norm Colby, City Operations General Supervisor

Full case study on BBLU website



# **UPStealth® Performance in Traffic Applications Validates the Technology for Data Centers**

## **EVOLVING FROM TRAFFIC CENTERS TO DATA CENTERS: A DEVELOPMENT PROGRAM**

- **PROVEN CAPABILITIES**
- **INTELLIGENT UPS**
- **MISSION CRITICAL ARCHITECTURE**
- **BATTERY MANAGEMENT SYSTEM**
- **REMOTE COMMUNICATIONS**
- **OPERATING ENVIRONMENTS**
- **EASE OF USE**
- **SMALLER AND LIGHTER**
- **CREATIVE PRODUCT PACKAGING**
- **NO HAZMAT ISSUES**



## **Data Center Markets Growing Rapidly**



DATA CENTER WORLD Global Conference

**Over 90% of all digital information  
has been created in the past 2  
years.**

– Jeffries International Ltd.



## **Data Center Markets Are Growing Rapidly**



DATA CENTER WORLD Global Conference  
ATCOM

**This is expected to double every  
two years until 2020...**

– Jeffries International Ltd.





## **DATA CENTERS: A VISION OF CHANGE**

**A PUBLIC PRESENTATION BY MICROSOFT OUTLINES A NEW VISION FOR DATA CENTERS.**

**THE NEXT 3 SLIDES INCORPORATE PARTS OF A MICROSOFT PRESENTATION SHOWING THEIR VISION FOR DATA CENTERS. THE COLORED GRAPHICS IN TWO SLIDES ARE THEIRS AND THE TWO PHOTOS SHOWING A "LEAD ACID BATTERY DATA ROOM" AND A "UPStealth® Server Rack Rendering" ARE THE COMPANY'S.**

**THE USE OF THESE 3 SLIDES DOES NOT IMPLY THAT BBLU HAS ANY RELATIONSHIP WITH MICROSOFT OR THAT WE WILL HAVE SUCH A RELATIONSHIP.**



## **Microsoft's Perspective: Challenges with traditional facility UPS power backup solutions**

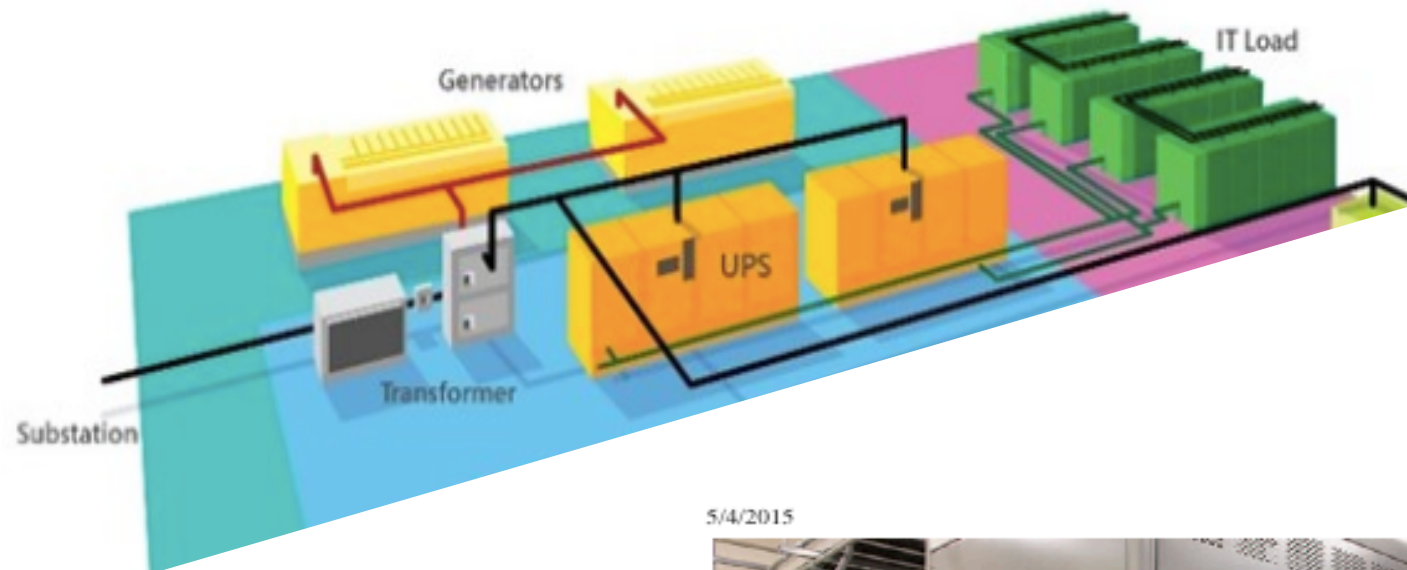
**UPS system is housed in large separate rooms and typically consists of a large array of flooded lead-acid batteries strung together to provide the interim backup power for the IT load in case of utility power outages (until the generators are turned on).**

**The UPS and battery equipment room footprint accounts for 150,000 ft<sup>2</sup> or approximately 25 percent of the total facility footprint (for a typical 25MW datacenter). Assuming a rate of \$220/ft<sup>2</sup>, the UPS room construction and buildout accounts for \$31 million in datacenter capex spend.**

**Director of Engineering, Cloud Server Infrastructure, Microsoft**

**<http://blogs.technet.com/b/server-cloud/archive/2015/03/10/microsoft-reinvents-datacenter-power-backup-with-new-open-compute-project-specification.aspx>**

## Traditional Data Center



5/4/2015

batteryroom\_700.jpg (700x467)

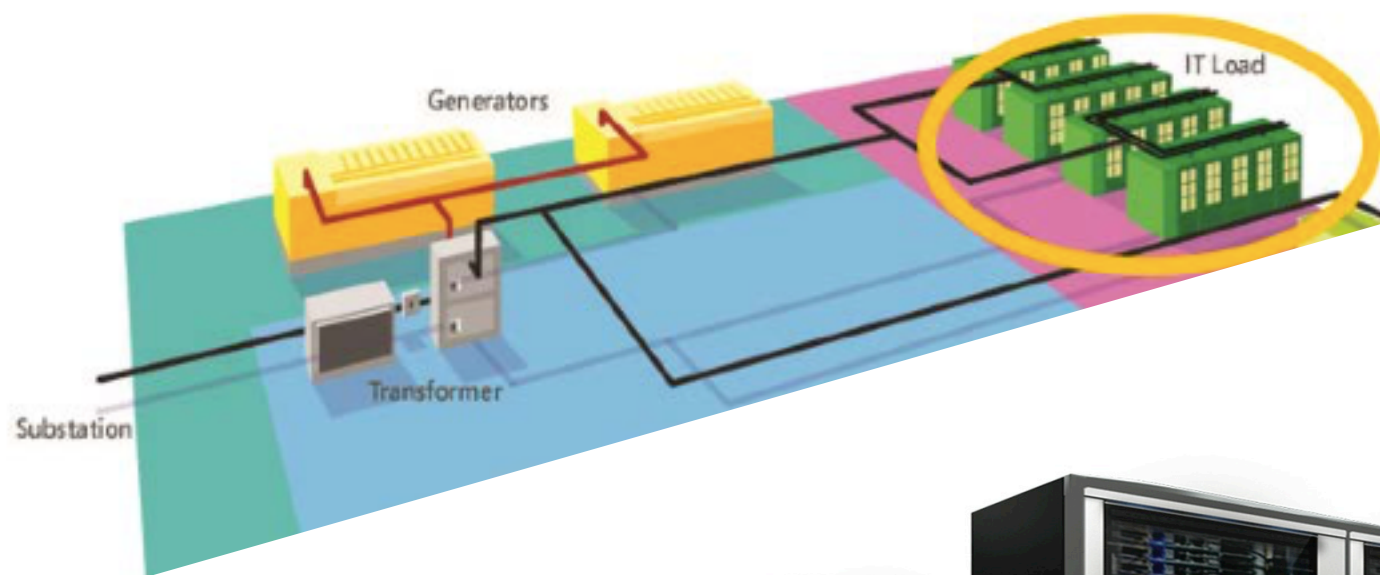


Lead Acid Data Center Battery Room





## Microsoft's vision: Local Energy Storage



UPStealth® Server Rack Rendering



## **Why UPStealth® at the rack?**

### **EFFICIENCY**

- **Just in Time Capital**
- **Improved Facility Usage**
- **Lower Power Usage**
- **Lower operating costs**

### **RELIABILITY**

- **“Fail Small”**

### **UP TIME ASSURANCE**

- **“Fail Small”**
- **Longer battery life**

### **RISING ELECTRICAL COSTS**

- **No Trickle Charging**
- **No cooling requirements**
- **Energy Efficiency**



## Directors

### **Laird C. Cagan, Chairman of the Board, 2011**

- Raised over \$600M of equity capital and over \$2B of capital invested
- Previously worked for Goldman, Sachs & Co. and Drexel Burnham Lambert
- MBA, MS & BS, Stanford University

### **Governor Bill Richardson, Director, 2014**

- Former Secretary of Department of Energy
- Two Term Governor of New Mexico, Initiatives to make NM the “Clean Energy State”

### **Michael W. Allman, Director, 2014**

- VP Business Development of Sempra Energy, retired June 12, 2012,
- President of Sempra Communications, CFO Sempra Global, President/CEO Sempra Generation
- President and CEO of SoCalGas

### **James A. Kelly, Director, 2014**

- Edison International (EIX), Parent company of Southern California Edison and Edison Mission
- Managed the electric grid with over 8,000 employees
- Board and Advisory roles in energy storage, wireless systems and engineering companies

### **Alan Krusi, Director, 2014**

- President, Strategic Development of AECOM Technology Corp. (NYSE:ACM)
- Over three decades of management experience in energy and construction
- Board member for Comfort Systems USA, Inc. (NYSE:FIX)

### **Johnny R. Thomas, Ph.D, CEO and Director, 2011**

### **Rob Potts, President and COO and Director, 2014**





## **Balance Sheet Highlights 12/31/14 Audited**

	<b>12/31/14</b>
<b>Working Capital</b>	<b>\$ 6,181,499</b>
<b>Assets</b>	<b>\$102,739,361</b>
<b>Shareholders Equity</b>	<b>\$ 96,408,357</b>
<b>Revenue</b>	<b>\$ 18,260,758</b>
<b>Shares Outstanding – Preferred</b>	<b>None</b>
<b>Shares Outstanding – Common</b>	<b>94,258,713</b>
<b>Market Cap</b>	<b>\$101,799,410</b>



## Investment Summary

**INDEPENDENT POWER PRODUCER:** Long term recurring revenues with predictable cash flow and large CHP pipeline

**CUSTOMIZED ENERGY SOLUTIONS:** Generate cost effective reduction & decrease environmental impact for commercial & industrial customers while improving profitability

**SMART TECHNOLOGY ADVANTAGE:** **UPStealth®** NiZn backup battery system for signalized intersections & Data Centers  
**RTi Edge™** for commercial and industrial facilities

**YELDCO:** A funding vehicle that lowers capital cost and rewards shareholders with a dividend

**EXPERIENCED LEADERSHIP TEAM:** **Management team** with extensive depth in all operations  
**Board of Directors** stacked with high caliber talent