AGENDA

• SRECTrade Company Overview

• Pennsylvania, New Jersey, and Maryland
  • Installed Solar Capacity
  • Supply and Demand
  • Pricing

• Q&A
TRANSACTION & MANAGEMENT PLATFORM

- Since 2008
- 160+ MW under management
- 12,000+ facilities under management
- 100% SREC focused
- Brokerage model
<table>
<thead>
<tr>
<th>PRODUCTS &amp; SERVICES</th>
</tr>
</thead>
</table>

**BROKERAGE**
- Spot transactions
- Structured forward solutions

**SOFTWARE**
- Onboarding with regulators & registries
- Tracking production & SRECs issued
- Executing & settling SREC transactions
PA SOLAR CAPACITY INSTALLED

Capacity in PJM GATS (5/12/15) = 389.6 MW (ex. DC, MD, NJ)

**EY 2015:**
0.144% Solar required
$188.79 SACP (EY14)

Estimated SRECs Req.
~213.6k SRECs

Estimated Avg. Annual MW Balance Needed*
~178.0 MW (not including older vintages)

**Estimated SRECs Req.**
EY2016: ~374.5k
EY2017: ~443.8k

Source: PJM GATS, SRECTrade Estimates, and EIA Report “Retail Sales of Electricity”
PA SOLAR BUILD RATES (MW)

All recent build driven by NC sited; 6 projects across 84.5 MW online in Dec-2014

- Q1 2015 build rates down
- LTM average MW/month Ex-NC = 821 kW/Month

Source: PJM GATS; note LTM and LSM data through March 2015
PA SREC SUPPLY AND FORECAST

Through April 2015 Issuance

• 340.5k EY2013 and EY2014 SRECs remain
• 305.6k EY2015 SRECs have been issued
• Forecast another 89.9k EY2015 SRECs
• At current build, estimated EY2015 oversupply 522.4k SRECs

Source: PJM GATS and SRECTrade Estimates. April 2015 issuance includes generation through March 2015.
Recent years have been relatively flat; 2013 = 146.3 mm MWh

<table>
<thead>
<tr>
<th>Year</th>
<th>RPS</th>
<th>Solar %</th>
<th>0% Growth</th>
<th>1.0% Growth</th>
<th>Diff.</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>0.14%</td>
<td>211.5</td>
<td>213.6</td>
<td>2.1</td>
<td></td>
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<tr>
<td>2016</td>
<td>0.25%</td>
<td>367.2</td>
<td>374.5</td>
<td>7.4</td>
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<tr>
<td>2017</td>
<td>0.29%</td>
<td>430.7</td>
<td>443.8</td>
<td>13.1</td>
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<tr>
<td>2018</td>
<td>0.34%</td>
<td>499.3</td>
<td>519.6</td>
<td>20.3</td>
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<tr>
<td>2019</td>
<td>0.39%</td>
<td>572.8</td>
<td>602.0</td>
<td>29.2</td>
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</tbody>
</table>

Source: SRECTrade Estimates and EIA Report “Retail Sales of Electricity”
Oversupply persists with various degrees of build

Source: SRECTrade Estimates.
Reduced oversupply with increased electricity sales

Source: SRECTrade Estimates.
Recent transactions have declined
- Current PA15 market: $30.00 @ $38.00

Source: SRECTrade.
Preliminary Installed Capacity as of 4/30/15 = 1,478.8 MW

**EY2015:**
- 2.45% Solar required
- $331 SACP

Estimated SRECs Req.
~1.9 mm SRECs

Estimated Avg. Annual MW Balance Needed*
~1,577.8 MW (not including older vintages)

**Estimated SRECs Req.**
- EY2016: ~2.1mm
- EY2017: ~2.4mm

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Source: New Jersey Office of Clean Energy, SRECTrade Estimates, and EIA Report “Retail Sales of Electricity”
Last six month average MW/month has increased. Last 3 months build rates are down.

Source: New Jersey Office of Clean Energy.
Through April 2015 Issuance

- 585.7k EY2013 and EY2014 SRECs remain
- 1.1mm EY2015 SRECs have been issued
- Forecast another 336.5k EY2015 SRECs
- At current build, estimated EY2015 oversupply 190.5k SRECs

**Source:** PJM GATS and SRECTrade Estimates. April 2015 issuance includes generation through March 2015.
NJ ELECTRICITY SALES (MWh) AND SRECs REQUIRED

Recent years have declined or are flat; EY2014 = 76.5 mm MWh

### Electricity Sales (MWh in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>RPS Solar %</th>
<th>RPS Growth</th>
<th>RPS 1.0% Growth</th>
<th>Diff.</th>
<th>SACP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2.45%</td>
<td>1,874.6</td>
<td>1,893.3</td>
<td>18.7</td>
<td>$331</td>
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<tr>
<td>2016</td>
<td>2.75%</td>
<td>2,104.1</td>
<td>2,146.4</td>
<td>42.3</td>
<td>$323</td>
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<tr>
<td>2017</td>
<td>3.00%</td>
<td>2,295.4</td>
<td>2,364.9</td>
<td>69.6</td>
<td>$315</td>
</tr>
<tr>
<td>2018</td>
<td>3.20%</td>
<td>2,448.4</td>
<td>2,547.8</td>
<td>99.4</td>
<td>$308</td>
</tr>
<tr>
<td>2019</td>
<td>3.29%</td>
<td>2,517.3</td>
<td>2,645.7</td>
<td>128.4</td>
<td>$300</td>
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<tr>
<td>2020</td>
<td>3.38%</td>
<td>2,586.1</td>
<td>2,745.2</td>
<td>159.1</td>
<td>$293</td>
</tr>
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</table>

NJ SUPPLY / DEMAND SCENARIOS – ELECTRICITY SALES REMAIN FLAT

Existing and lower build rates result in market flat / under supplied through EY2018

Source: SRECTrade Estimates
Existing and lower build rates result in greater undersupply beginning EY2016

Source: SRECTrade Estimates
Recent spot transactions are back up

- Current NJ15 market: $217.50 @ $225.00

Source: SRECTrade
NJ 3 YEAR FORWARD MARKET

Forward market for NJ15-17 back to BGS levels

- Current NJ15-17 market: $210.00 @ $220.00

Source: SRECTrade
MD SOLAR CAPACITY INSTALLED

Capacity in PJM GATS (5/16/15) = 262.2 MW

**CY2015:**  
0.50% Solar required  
$350 SACP

Estimated SRECs Req.  
~315.7k SRECs

Estimated Avg. Annual MW Balance Needed*  
~263.1 MW (not including older vintages)

**Estimated SRECs Req.**  
CY2016: ~446.4k  
CY2017: ~611.9k

Source: PJM GATS, SRECTrade Estimates, and EIA Report “Retail Sales of Electricity”
MD SOLAR BUILD RATES (MW)

Last six month average MW/month has increased. Q1 2015 build rates are down.

Source: PJM GATS and SRECTrade Estimates; note LTM and LSM data through April 2015
MD SREC SUPPLY AND FORECAST

Through April 2015 Issuance

- 84.6k CY2013 and CY2014 SRECs remain
- 50.5k CY2015 SRECs have been issued
- Forecast another 261.6k CY2015 SRECs
- At current build, estimated CY2015 oversupply 80.9k SRECs

Source: PJM GATS and SRECTrade Estimates. April 2015 issuance includes generation through March 2015.
Note: Assumes 2013 and 2014 Mount St. Mary’s (MSM) SRECs are withheld from the market entirely.
Recent years have declined or are flat; 2013 = 61.9 mm MWh

Source: SRECTrade Estimates and EIA Report “Retail Sales of Electricity”
MD SUPPLY / DEMAND SCENARIOS – ELECTRICITY SALES REMAIN FLAT

Slight oversupply, ~10-30%, in 2015 & 2016, flat / undersupplied onward


Case 1 - 4.4 MW/month
Case 2 - 5.8 MW/month
Case 3 - 8.8 MW/month
Growth in electricity sales increases undersupply in future years

MD2015 MARKET PRICING

Recent transactions have increased
- Current MD15 market: $170.00 @ $180.00

Source: SRECTrade
MD15-17 market has followed the prompt year

- Current MD15-17 market: $160.00 @ $170.00

Source: SRECTrade
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