



ClearEdge | POWER[®]

Delivering Smart Energy Today[™]

Corporate Overview

August 2011

About ClearEdge Power

- Established in 2003
- Privately funded through:
 - Kohlberg Ventures
 - Applied Materials
 - Artis Capital
 - Sempra
- An Energy Technology Company
 - Design & Manufacture
 - Service & Maintenance
- 75,000 sq. ft. manufacturing floor
- Certifications/Listing:
 - **KGS** - Global Certification
 - **ISO 9001** - Quality Management Systems
 - **ISO 14001** - Environmental Systems
 - **ETL Listing** - Gas NRTL
 - **CSA Listing** – Pending Approval
 - **CE Certification** - Underway (European)



- Designed to address the urgent concerns:
 - Increased demand on grid infrastructure
 - Base Load Power
 - High energy costs
 - Environmental impact

Energy is on the same journey



From This

To This

To This

- More changes in the energy industry in the next 20 years than in the last 100 years
 - Technological innovations
 - Disruptive business models
- Federal and state energy and environmental policies are driving the change
- Customers expect greater choice, control, and sustainability

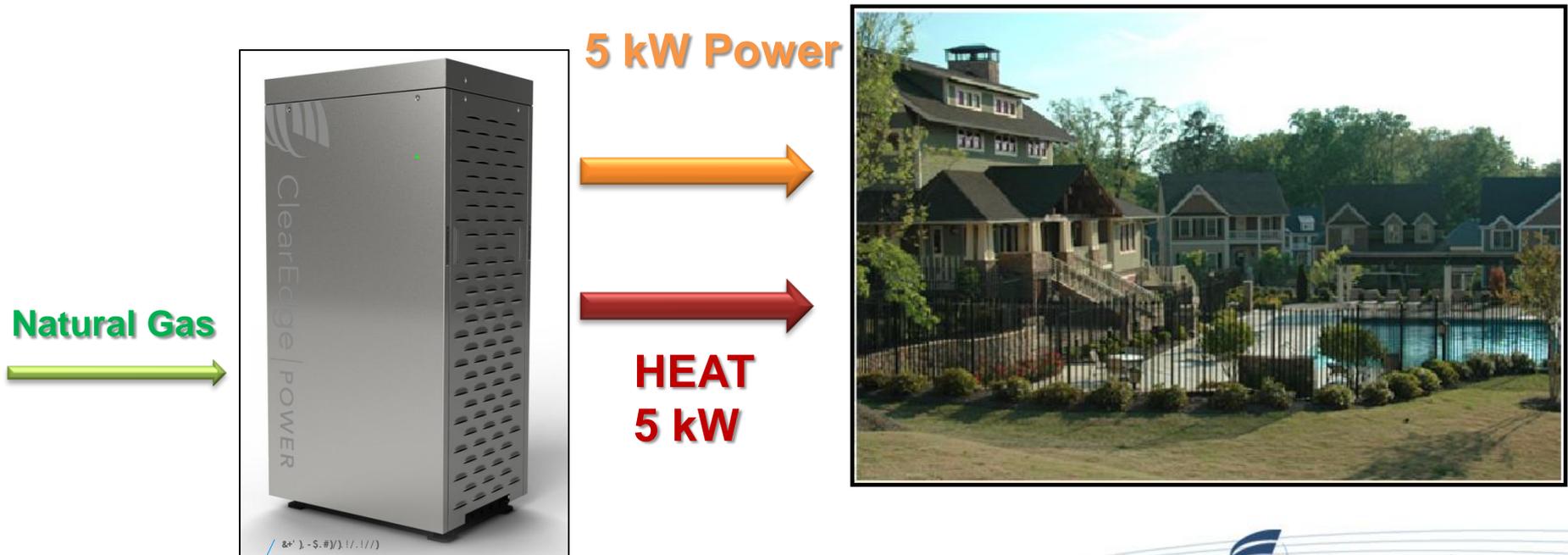
ClearEdge5 – Delivering Smart Energy Today

Combined heat and power 5kWh distributed power system

CE5 converts natural gas into power and heat without burning it

High efficiency, low cost, on-site generation

Smart fuel cell technology



ClearEdge Power Fuel Cell Attributes

Mass
Produced

Safety

Modular

Reliable

Cost
Effective



Natural Gas

Efficient

Lifetime

Combine Heat &
Power

Environmentally
Clean



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Modular System Architecture

Product Expansion

Market Expansion

Base Unit

CE5

- Base unit – 5kW
- High efficiency
- Low maintenance
- Standard components

CE FT

- 5-10kW applications
- Data center
- Large residential

CE15

- 10-15kW applications
- Light commercial

CEXX

- 20-50kW applications
- Medium commercial

Data Centers

- Data centers
- Server rooms

Residential

- Niche market
- Short sales cycle

Commercial

- Small business
- Hotel
- Retail
- Fitness

International

- Off-grid applications

Utility

- Power generation expansion

- All Products Leverage:**
- Technology
 - Process stability
 - Supply chain
 - Reliability
 - Certifications

Derivative Capability:

- Fault tolerance
- Grid independence
- 208V 3 phase
- 48V DC
- Extreme weather
- Propane compatible

Top Vertical Markets

Multi-Tenant

- Senior Living Centers, Affordable, REIT, Multi-Family

Hospitality

- Hotels, Full Service Multi-Unit Restaurants, Country Clubs and Spas

Education

- Public and private: K-12 Schools, Community Colleges, Universities (including dormitory housing)

Utilities

- Priority – 1. Gas Companies 2. Hybrid Electric & Gas 3. ESCOs

Public Sector

- DOE, DOD, Civilian, Emergency first responders, City/State/Federal Buildings

Residential

- High-end residential

Data Centers

- Small-to-medium size business data centers / server rooms

Industry Segment Leaders

Hampstead Lafayette Hotel

- City of San Diego Historic Landmark
- 8 Unit Install



Village Lindo Paseo Dormitory (SDSU)

- \$1M savings in construction costs
- 9 Unit Install



Irvine Unified School District

- (2) High school facilities / pools
- 12 Unit Install



Cambrian Center

- Low Income Senior Living (HUD)
- 4 Unit Install



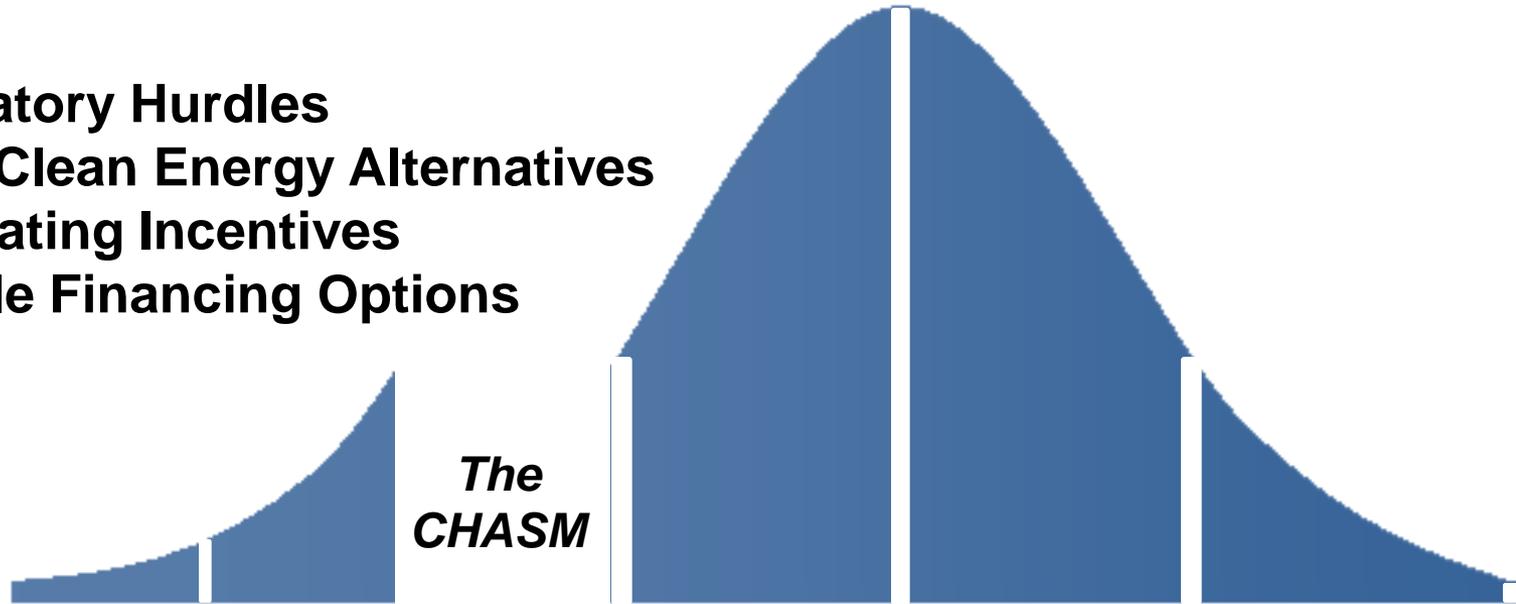
Benefits of Fuel Cells:

- Optimize Energy Efficiency and Lower Costs
- Reduce Harmful Emissions
- Increase Reliability through Distributed Generation
- Reduce Demand on the Grid
- Comply with Regulatory Mandates
- Insulate against Rising Electricity Rates



Key Challenges and Barrier for Fuel Cell Adoption

Regulatory Hurdles
Other Clean Energy Alternatives
Fluctuating Incentives
Flexible Financing Options



Technology
Enthusiasts

Visionaries

*The
CHASM*

Pragmatists

Conservatives

Skeptics

Visionaries

Pragmatists



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ClearEdge Power Go-to-Market Model



Customers Expect Choices

- Purchase System
- Lease Systems
- Utility Model

ClearEdge Power Initiatives

- We Sell Systems not Power
- Direct Lease Offering
- Working to Offer 3rd Party Offering
- Work with Partners for PPA's



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