

DBL INVESTORS

DOUBLE BOTTOM LINE VENTURE CAPITAL

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CPUC Thought Leaders Series-
Revitalizing the Clean Energy Economy
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DBL Investors - Double Bottom Line Venture Capital

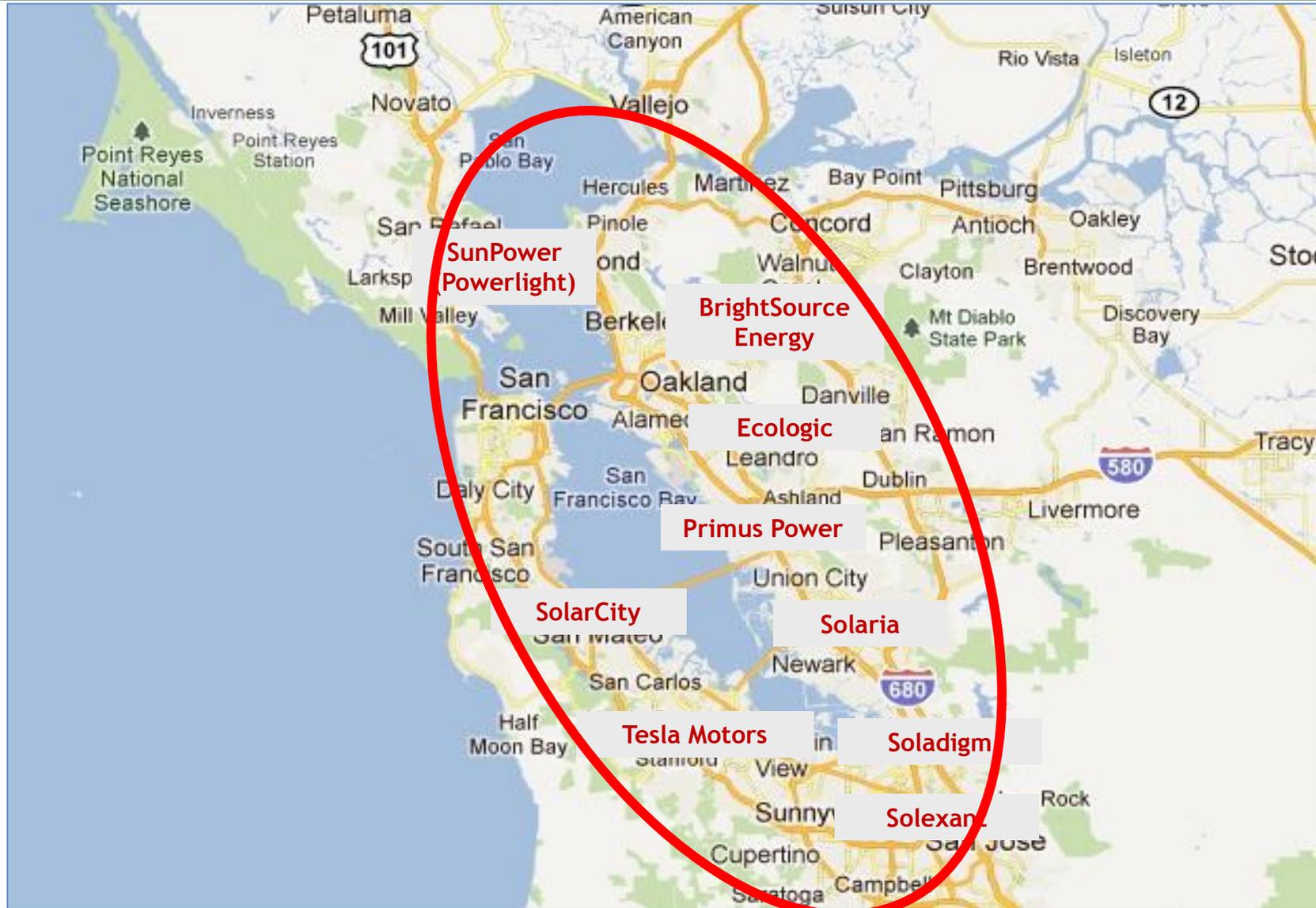
We are a San Francisco-based firm with a “Double Bottom Line” approach to venture capital investing

Our unique strategy:

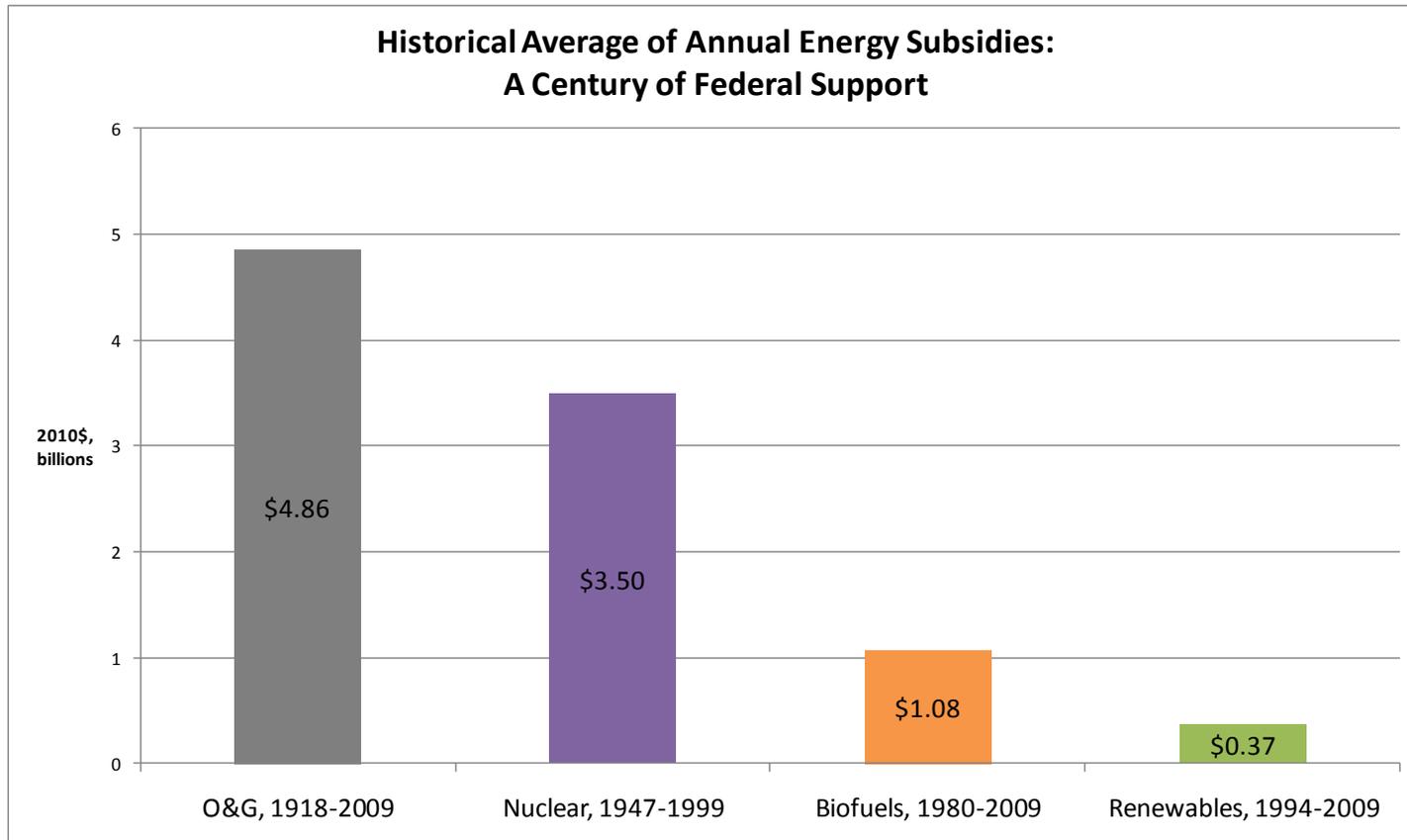
- Venture capital investing with a goal of achieving top-tier financial returns
- Proprietary assistance to portfolio companies - delivering social, environmental and economic benefits to our regions



Cleantech is Alive and Well in California: DBL Portfolio Companies are Located Throughout and Have Already Created about 2300 Cleantech Jobs and are Projected to Create Over 6500 by 2014



Renewables, Like Oil & Gas and Nuclear Before Them, Deserve Government Support



Government involvement in supporting new energy sources is not controversial, it is our history.

We Need to Keep California in the Forefront: Five Policy Priorities

1. Net Energy Metering (NEM) / Distributed Solar

- NEM is critical to achieving the Governor's 12 GW DG goal and the state's clean energy goals
- NEM has helped generate 25,000 solar jobs in California, and these jobs are distributed throughout the state. Many are installation jobs that are necessarily local and cannot be outsourced
- NEM has helped leverage over \$10 billion in private investment in the California economy
- NEM is utilized almost equally by schools/government entities/non-profits, homeowners, and businesses
- NEM helps the middle class go solar- about two-thirds of California's home solar installations since 2009 have been for families in zip codes with median incomes in the range of \$40,000 to \$84,000
- Without NEM, a UC Berkeley Study recently showed: "In the absence of more reliable research results, one cannot say with confidence that growth in the renewable energy industry and greater deployment of local renewable[s] could continue apace if net metering benefits were weakened or eliminated"

We Need to Keep California in the Forefront: Five Policy Priorities

2. Large Scale Solar / CSP

- Because of its size and strength of insolation, California has a unique opportunity to develop a solar one-two punch: Distributed solar and larger scale CSP
- Levelized cost of electricity (LCOE) is a good measure, but does not fully account for the actual cost of “keeping the lights on”
 - For instance, concentrated solar power (CSP) provides a relatively low net system cost and can compete on an LCOE basis
 - CSP, when complimented by storage or hybridized, provides a dispatch-able and flexible resource that helps utilities manage fluctuating intermittent output across a system
- CSP helps support a stable and reliable low-carbon electricity mix, including the addition of more PV onto the system
- CSP avoids the integration costs associated with intermittent resources and thus the need for natural gas back-up required to support a stable grid
- Together, distributed solar and CSP optimize California’s solar resources while addressing climate change needs
 - This combination also creates a stronger climate adaptation response

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3. Consistent Enforcement and Enabling of Existing Regulations

- Not everything counted in the RPS gets built because of permitting, infeasibility, misaligned incentives and other impediments
 - Off-takers can say that clean energy developers have breached a contract due to timing and permitting issues over which the developers have no control
- Challenges from propositions and lawsuits add time and expense to implementation

■ Support Infrastructure Development for Clean Energy Technologies

For large scale development-

- Require that infrastructure has to be planned, permitted and constructed by a certain date
 - Shorten the current ~8 years it takes to plan, permit, finance and build transmission
 - Speed up construction of interconnections to no more than a year or two

For smaller scale and rooftop development-

- Inefficient local permitting and inspection processes
- Local permitting and inspection are estimated to add 50 cents per watt or \$2,516 per residential solar install
- Permitting costs are equivalent to a \$1 billion tax on solar over the next five years

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Going Forward...

4. Electric Program Investment Charge (EPIC) CPUC Staff Recommendation to Fund CEC's PIER Program

- With 2011 expiration of public goods charge (PGC) CPUC staff recommended EPIC-supported funding for applied research and development and technology demonstration
- Efforts to create a new PIER program are important to California's cleantech leadership
- Recommend adding an advisory board with representation from multiple stakeholders including investors to bring together policy and investment goals

5. Self-Generation Incentive Program (SGIP) Expansion & CPUC Storage Rulemaking

- The CPUC expanded SGIP market last fall by expanding the technologies eligible for the program and creating up-front rebates and performance-based incentives for developers and manufacturers
 - This will help California become the leader in new approaches to behind-the-meter storage
- CPUC rulemaking on storage is ongoing and is critical for the successful incorporation of storage into an RPS strategy
 - Getting storage right is like natural gas without fracking