



Community Energy

“Igniting the market for fuel-free power”

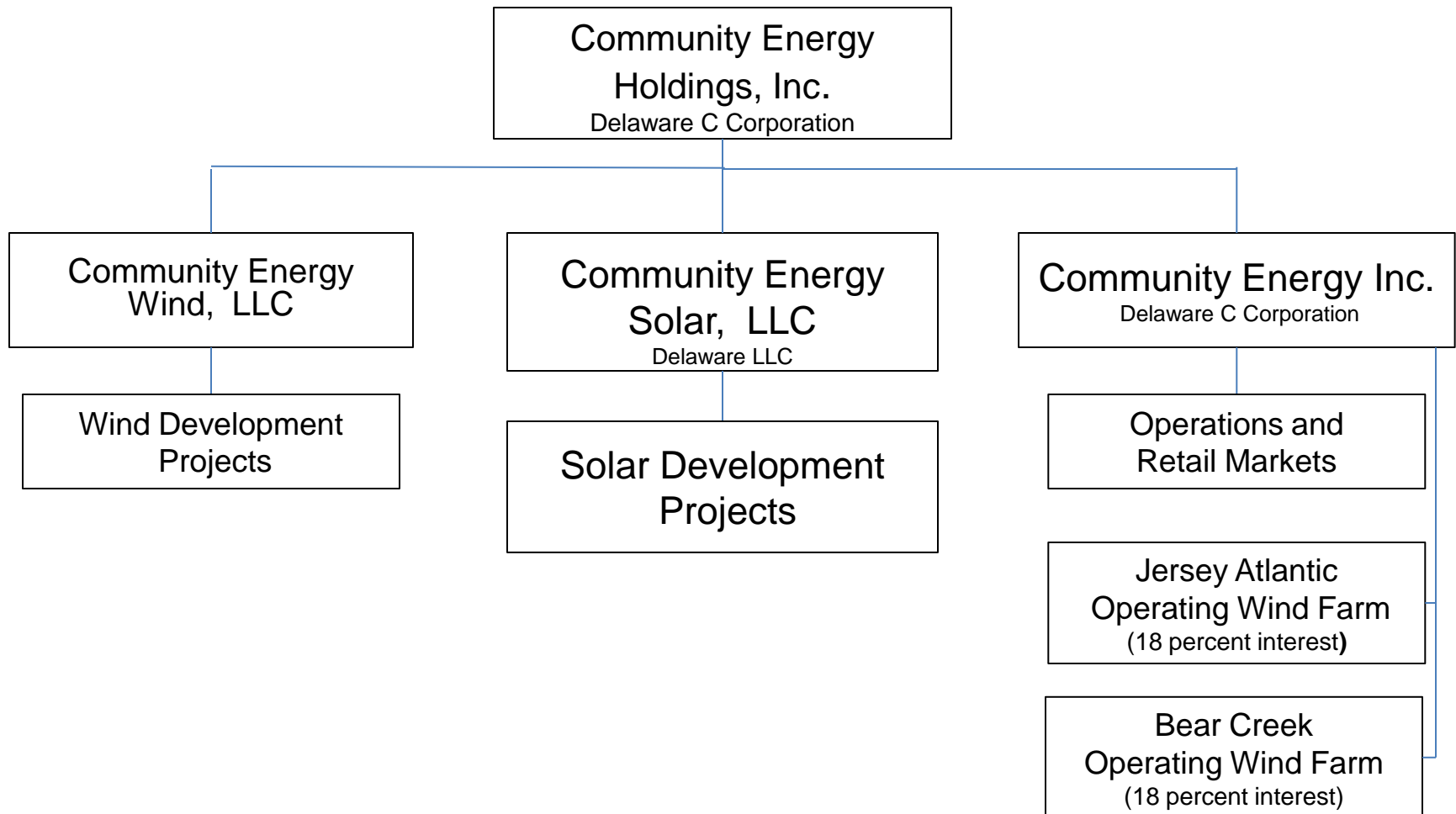
MEAM Communications & Energy Services Conference

October 21, 2011

Solar Developer with Utility Experience



Corporate Structure



New Jersey Solar (18.5 MW in 2011)

6.5 MW (AC) asset sale to Constellation

-- COD in October 2011

12 MW (AC) asset sale (2 projects)

-- Commenced construction in September 2011

-- COD likely 2012Q2



Construction of the CES Vineland Solar Site – August 2011

- **CE finding ways to bring utility-scale projects online in the face of declining NJ SREC prices**

Keystone Project – CES to Own / Operate

Project Overview

- 5 MW in Lancaster County, PA
- 85 acres under long-term lease (expansion to 10-15 MW)
- Interconnect with PP&L (12.5 kV tap on-site)
- Project permitted in East Drumore Township (up to 15 MW)
- Grant funding support (>\$2 million)

Off-Take

- PPA with Exelon Generation
- 5 MW AC, 15 yrs., bundled
- Executed May 4, 2011



CES Keystone Solar Site – Fall 2010

→ **CES is on track to commence construction on Keystone in 2011, preserve the federal 1603 cash grant, and own / operate**



Expanding Utility-Scale Footprint

- New York
- Maryland
- Ohio
- Illinois
- North Carolina
- Puerto Rico

Commercial BTM Solar

Goals

- Own BTM projects with PPAs, project O&M
- Finance 15 MW portfolio in 2012
- Debt and tax equity fund



Project Development Progress

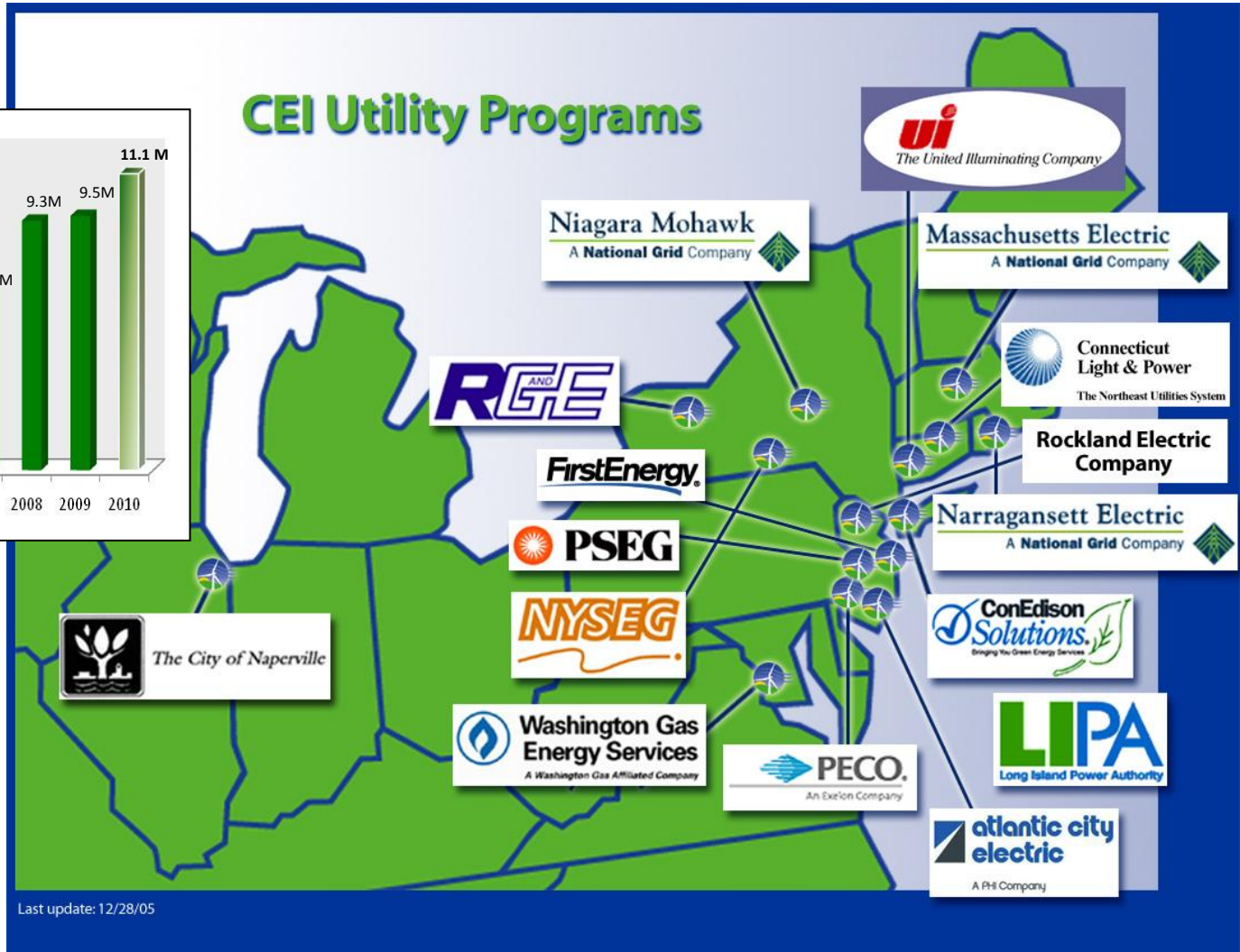
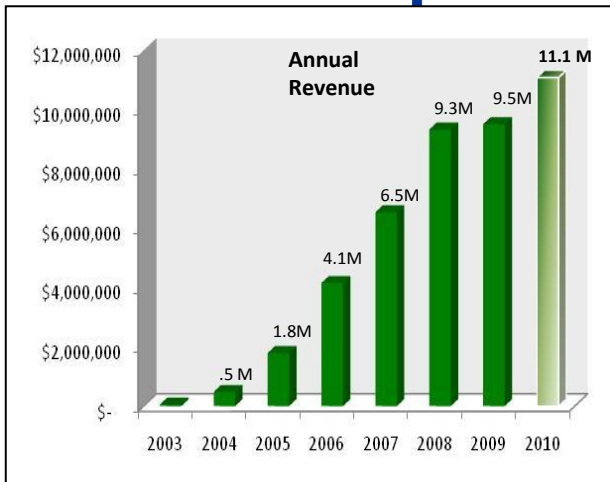
- PPA negotiations on 2.8 MW – construction 2011-12
- 5-10 MW in pipeline – MA, NJ, CT, PR, OH

Financing Progress

- Ongoing discussions with advisors, tax equity and lenders
- Refining details on project parameters and credit requirements for host power purchasers

Retail REC Marketing Affiliate

Community Energy, Inc.



Green Host Tariff Program

- Availability of SRECs to C&I customers makes solar self-generation attractive
- Green Host Tariff helps utilities stop losses associated with solar self-generation
- Utility has rights to wholesale output from a solar DG facility on customer premises and sells retail power to customer at a discount to existing retail rate
- Program can be proactive or reactive
 - Community Energy reaches out to C&I customers on behalf of utility
 - Community Energy responds on behalf of utility only when utility is approached by a potential solar self-generator
- Benefits to utility
 - Support customer's desire for green energy
 - Avoid a portion of financial losses associated with C&I customer becoming solar self-generator
- Benefits to customer
 - PR and stakeholder benefits of "going green"
 - Avoid involvement in areas outside core competency
 - Savings of Green Host Tariff vs. existing retail rate

Solar Shares Program

- Community Energy develops and constructs solar PV project
- Electricity bundled with SRECs and sold at negotiated price to utility
- Utility (directly or through Community Energy) sells “solar shares” in project to retail customers
- Customers effectively pay green power premium, but can receive dividend when utility retires SRECs if price received is greater than anticipated
- Benefits to utility
 - Support desire for green energy of customers who cannot host solar facility
 - Solar Shares can be priced to mitigate SREC market price exposure
- Benefits to customer
 - PR and stakeholder benefits of “going green”
 - Avoid involvement in areas outside core competency
 - Potential for dividend if SREC prices increase over time

Summary

- Proven track record investing capital quickly and profitably to build enterprise value and market share in US
- First 18 MW of solar PV projects under construction in 2011 and approximately 100 MW positioned for construction in 2012
- Early entrant with large solar PV pipeline in rapidly growing off-take markets
- Deep regulatory / utility relationships and excellent industry recognition
- Experienced development team and assets ready for expansion
- Growing pipeline of behind the meter projects with host PPAs
- Premier REC marketing organization with experience creating tailored solutions for customers
 - ✓ Utility green power programs
 - ✓ Green Power Host Tariff
 - ✓ Solar shares concept