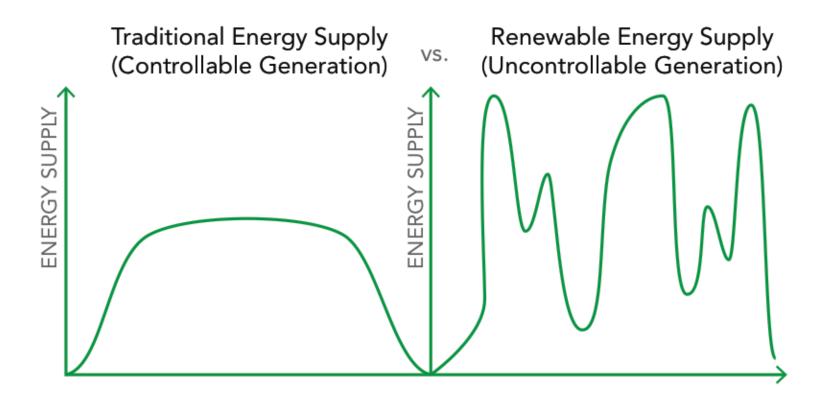
mosaic power

Dan Conant Director of Sales and Marketing

The challenge for renewables



How do we solve this problem?

- Need resources to turn on and off very fast (2 seconds)
- Needs to have significant energy storage
- Won't impact people in their daily lives or hurt equipment
- Fairly low capital cost
- Easy to replicate/copy and deploy

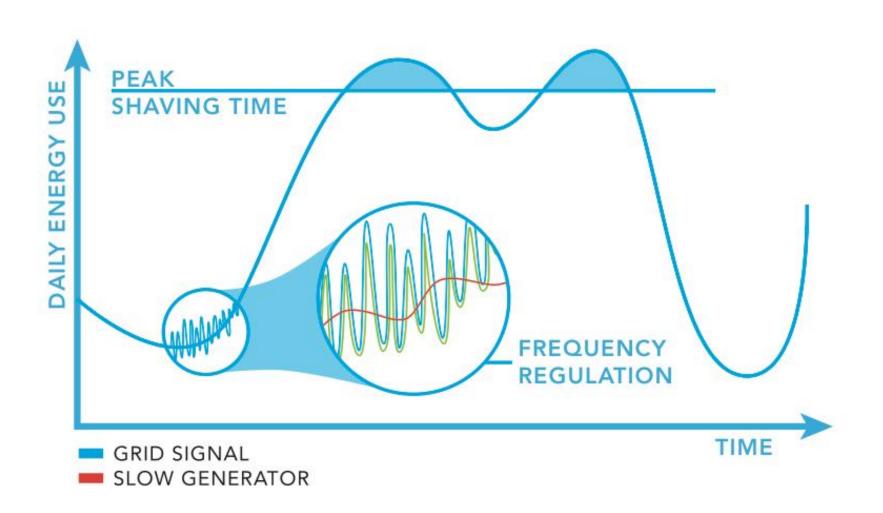
What can do this?

- Residential electric water heaters => already store energy thermally
- Easy to turn off and on no motors
- 40 million of them in the US

Mosaic Power uses
residential water heaters
to respond to rapid changes
on the electric grid.

- The grid pays Mosaic Power for smoothing power
- Mosaic Power pays for equipment & installation
- Customers receive \$100/year for participating

Markets for managing the challenge



PJM Market

- \$2 billion spent annually to smooth fast electricity changes
- Problem increases with wind and solar



40 million electric water heaters in the US; 8 million in PJM

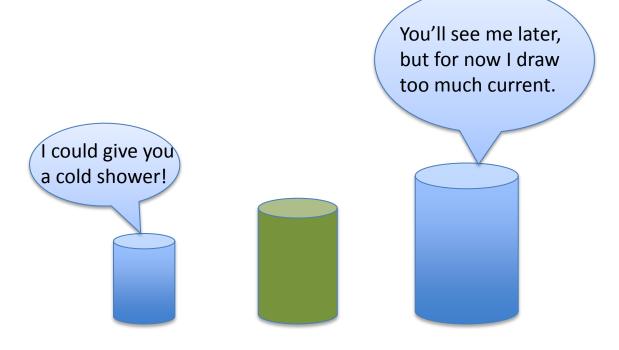
Our water heater profile

YES! – Standard electric water heaters

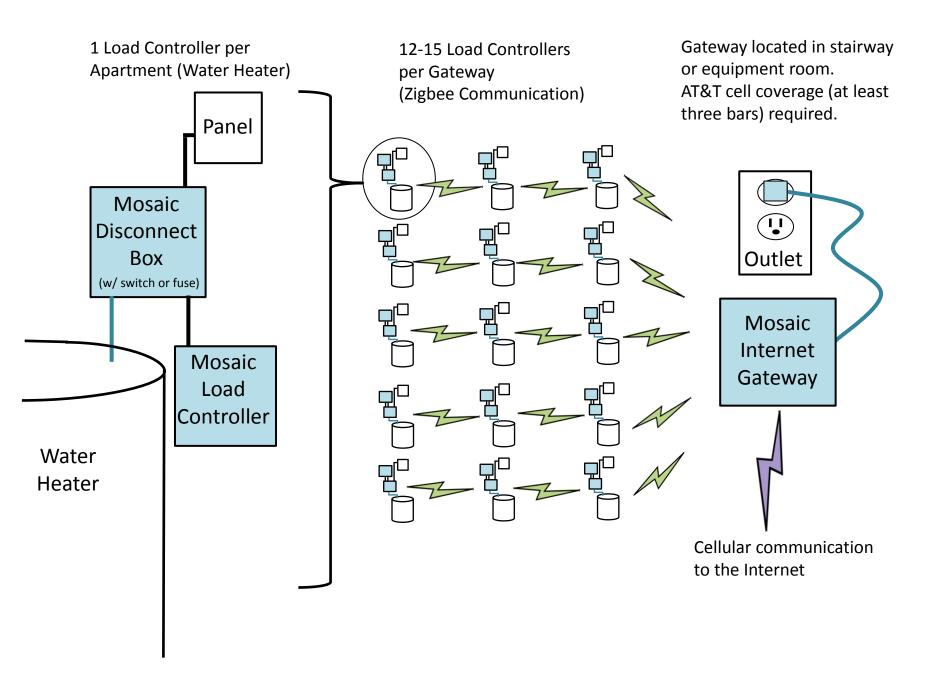
- No gas
- No propane
- No solar heated
- No smart heaters
- No on-demand
- No heat pumps
- No geothermal

Up to 30 amps

40+ gallons



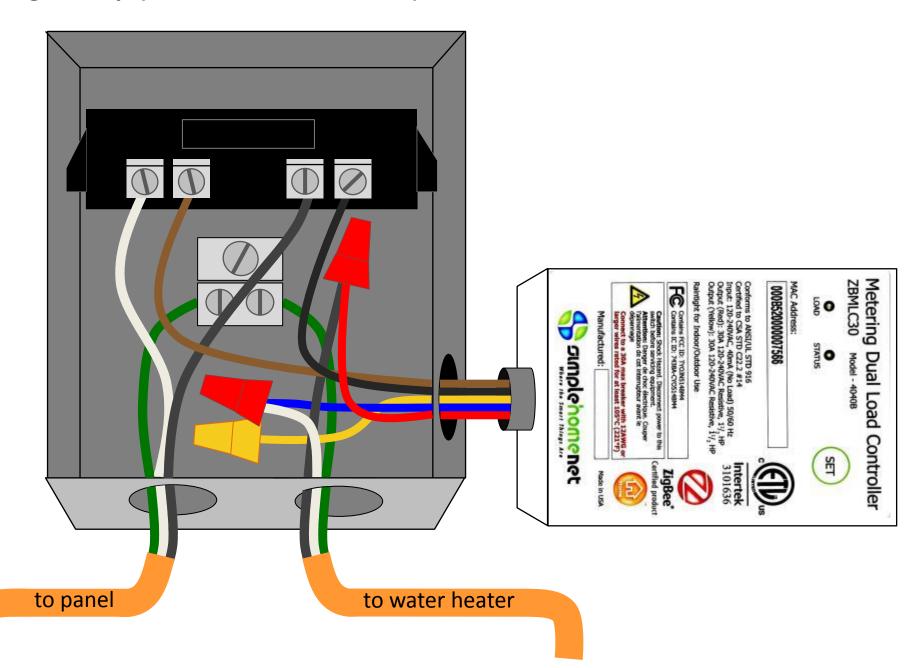
Apartment Complexes



In real life...



Wiring Set-Up (Inside Disconnect Box)



Milestones Achieved

- Residential pilot has been running 22 months
- 370 units installed
- 15 cold showers reported over 2 years
- First revenue October 2013
- Closed SBA loan in January
- 2 apartment management groups have installed
- Provided crowdfunding for largest community solar project in West Virginia

Competitors

Old technologies: Operation speed \$ to deploy

– Gas generatorsslow

Hydroelectric moderate \$\$\$

New technologies:

Batteries fast \$\$\$

– Flywheels fast \$\$\$

Other aggregators* fast \$\$

*Other aggregators supply through local utilities

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