



Solar & Thermal Systems, Inc.

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P: Running Out of Energy

- ★ Rising prices – oil \$70/bbl, Nat gas, coal
- ★ Asia increasing worldwide demand
- ★ Diminishing reserves and OPEC cutbacks
- ★ Ageing refineries and closing power plants for pollution control
- ★ Rolling blackouts, Enron debacle
- ★ Buying power from distant generators



S: Limitless Solar Energy

- ★ Sunlight is free, always will be
- ★ No scarcity of sunlight enough for all
- ★ Not subject to cartel controls or embargoes
- ★ New equipment quickly and easily installed
- ★ No pollution, no greenhouse gases produced
- ★ Distributed generation, no monkey business
- ★ Energy is harvested where it's needed



Business Model

- ★ We will produce solar generating equipment
- ★ Our first customers will be businesses
- ★ We have achieved costs below current incentives offered by government & utilities
- ★ Early adopters will get the product for *free*
- ★ At \$2/W our gross margin is ~53%
- ★ Distribution will evolve as we grow



Magical Mystery Tour™

- ★ Three brilliant, unconnected realizations
- ★ The right materials, rugged & inexpensive
- ★ Innovative design, form follows function
- ★ Captures energy other processes waste
- ★ Double the conversion efficiency of PV
- ★ Computer control makes it possible



Marketing & Sales

- ★ We'll ride the wave of free media coverage for the first year or more.
- ★ We'll develop our message from customer feedback during that time.
- ★ Targeted radio advertising as soon as practical.
- ★ WWW driven sales process.
- ★ Brownfield & landfill reclamation projects.



Competition

- ★ PV: Hundreds of primary cell makers, feeding many small independent installers.
- ★ Fuel Cell: Fixed installations for emergency power. Mobile units for municipal fleets.
- ★ Fossil Fuel: The lowest capital cost and most common source of electric power.
- ★ Nuclear, Hydro, Wind: No greenhouse gas.



Management Team

- ★ Paul: inventor, engineer, technophile
- ★ Larry: CEO, implementer, marketer, philosopher
- ★ CFO: someone to count the money
- ★ VP sales: someone to build & manage a large sales team
- ★ COO: standing by...



Financial Projections

- ★ Explosive sales growth!
- ★ Limited by manufacturing capacity
- ★ Sales potential > \$25MM year 1
- ★ Limited by new hire capacity
- ★ Gross Margin ~53%, Capital price \$2/W,
Cost of power produced ~\$0.086/kWHr,
Value of power produced >\$0.10/kWHr



Current Status

- ★ Building prototype
- ★ Securing manufacturing space
- ★ Negotiating terms for initial site
- ★ Seeking capital for equipment
- ★ Pursuing grants for renewable DG projects
- ★ Building company awareness
- ★ Additional IP protection utility & design