

A CULTURE OF CUSTOMER CARE

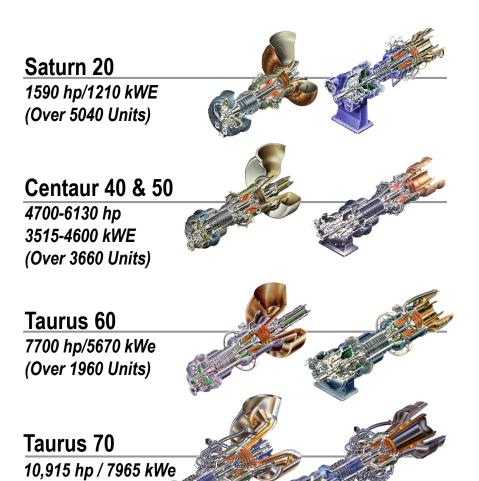


Caterpillar: Non-Confidential

SOLAR TURBINES INCORPORATED



SOLAR GAS TURBINE FAMILIES



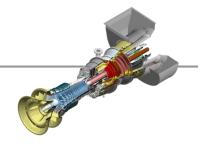
Mars 90 & 100 13,220 – 15,900 hp 9450 – 11,350 kWe (Over 1300 Units)



Titan 130 20,500 hp / 15,000 kWe (Over 820 Units)

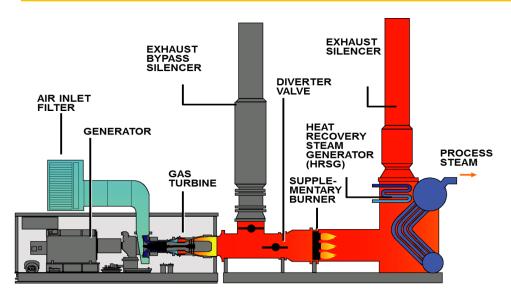


Titan 250 30,000 hp / 21,745 kWe (Over40 Units and Growing)

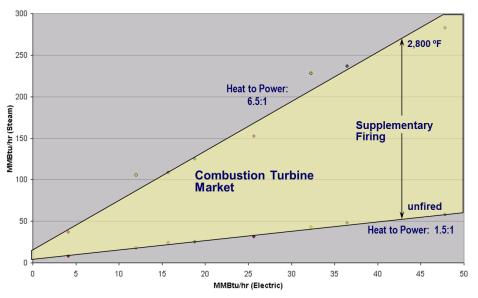


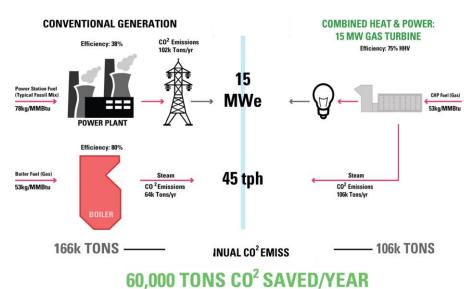
(Over 800 Units)

GAS TURBINE FOR CHP APPLICATION

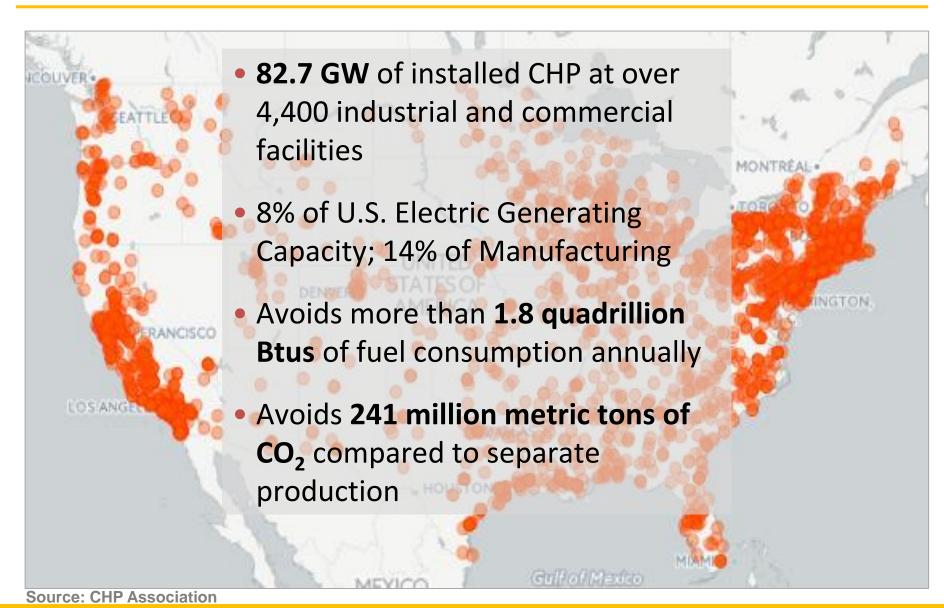


- Gas Turbines are ideal suited for CHP due to:
 - High Mass flow
 - High Exhaust temperature
- Small Footprint
- Low Maintenance
- Low Emissions due to DLE combustion





CHP IS LOCATED IN EVERY STATE

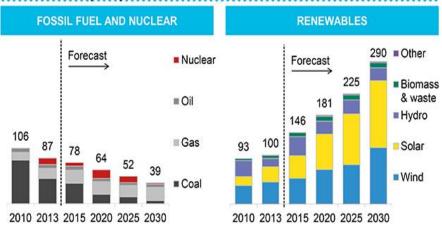


Solar Turbines

CURRENT GENERATION TRENDS

GLOBAL POWER GENERATION CAPACITY ADDITIONS

2010 - 2030 (GW)

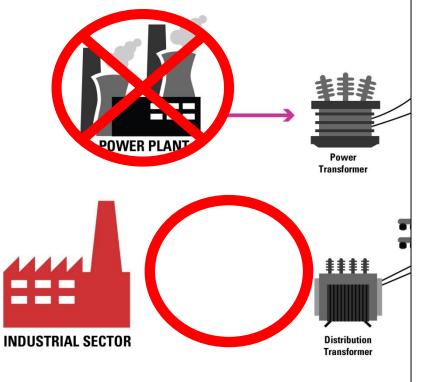


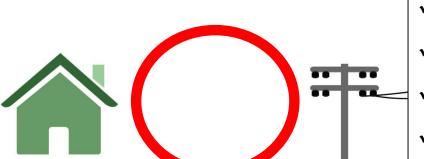
Source: Michael Liebreich/BNEFSummit 2014



- Increase in Renewable Energy –
 Intermittent power
- Current distribution system operates at capacity limits
- New transmission lines needed cost intensive and long approval process
- Centralized power generation network is jeopardized by natural disasters e.g super storm Sandy

HOW SMALL GAS TURBINES CAN SUPPORT THE GRID





- ✓ Support Grid Stability
- ✓ Allows decentralized PG
 - ✓ Island Mode / Parallel Operation
 - ✓ Increase Reliability
 - ✓ Increase Resiliency
- Minimize Investment compared to centralized power generation
- ✓ Reduce transmission losses placed closer to consumer
- ✓ Quick start-up
- √ Flexible load following
- ✓ Low Emissions
- High Efficient when CHP is used

RESIDENTIAL SECTOR

UTILITY OWNED CHP

Project: Eight Flags in Florida

Plant size: 22 MW CHP

Usage:

Power for local utility

- Sell steam to industrial company



Advantages:

- Benefits the Customer with Lower Rates
- Grows Natural Gas Usage
- Reduces Carbon Emissions
- Can Be Used Productively By Electric Utilities
- Provides Returns to Stockholders

TECHNOLOGY IMPROVEMENTS

- Improved Start-up time
- Reduced Emissions

Higher Efficiency – Simple cycle & CHP

Increase in power density

Increase in fuel flexibility on DLE



SUMMARY

- ✓ Turbines are ideally suited for CHP applications
- ✓ Turbines below 25 MW are ideally suited for behind the fence power / decentralized power / peaking
- ✓ Able of operating in parallel to the grid or island mode
- ✓ Low Emissions
- ✓ Gas is the cleanest fossil fuel
- Gas will have strong availability at relatively low cost for quite some time

Solar Turbines

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CHP VALUE PROPOSITION

Category	10 MW CHP	10 MW PV	10 MW Wind	Combined Cycle (10 MV Portion)
Annual Capacity Factor	85%	22%	34%	70%
Annual Electricity	74,446 MWh	19,272 MWh	29,784 MWh	61,320 MWh
Annual Useful Heat	103,417 MWh _t	None	None	None
Footprint Required	6,000 sq ft	1,740,000 sq ft	76,000 sq ft	N/A
Capital Cost	\$20 million	\$60.5 million	\$24.4 million	\$10 million
Annual Energy Savings	308,100 MMBtu	196,462 MMBtu	303,623 MMBtu	154,649 MMBtu
Annual CO ₂ Savings	42,751 Tons	17,887 Tons	27,644 Tons	28,172 Tons
Annual NOx Savings	59.4 Tons	16.2 Tons	24.9 Tons	39.3 Tons

 ¹⁰ MW Gas Turbine CHP — 28% electric efficiency, 68% total CHP efficiency,
 15 ppm NOx emissions

Source: DOE/EE-0079 August 2012

Capacity factors and capital costs for PV and Wind based on utility systems in DOE's Advanced Energy Outlook 2011

Capital cost and efficiency for natural gas combined cycle system based on Advanced Energy Outlook 2011 (540 MW system proportioned to 10 MW of output), NGCC 48% electric efficiency, NOx emissions 9 ppm

CHP, PV, Wind and NGCC electricity displaces National All Fossil Average Generation resources (eGRID 2012) — 9,572
 Btu/kWh, 1,743 lbs CO_/MWh, 1.5708 lbs N0x/MWh, 6.5% T&D losses; CHP thermal output displaces 80% efficient on-site natural gas boiler with 0.1 lb/MMBtu N0x emissions