SolarCity

Q3 2015 Review

October 29, 2015

Forward-Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding SolarCity's customer and market growth opportunities; SolarCity's operational growth and expansion, including international expansion plans; financial strategies for cash generation and increasing shareholder value; the deployment and installation of megawatts, including estimated Q4 2015 megawatt deployments and installations; future bookings; our beliefs as to future installation efficiencies; GAAP revenue, gross margin, operating expenses and non-GAAP EPS for Q4 2015; Estimated Nominal Contracted Payments Remaining; forecasted Net Retained Value, Economic Value Creation and Unlevered IRR of Q3 2015 megawatts deployed, including related assumptions; cash flows and PowerCo Available Cash forecast; projections related to decreases in cost per watt, including Q4 2015 and 2016 sales costs and our projections related to cost reductions associated with the vertical integration of C&I installations; our liquidity and; forecasted access to capital, including assumptions related to the terms of future financing (including risk premiums and interest rates), the sufficiency of committed available financing and the terms and frequency of future securities offerings (including securitization offerings); the amount of megawatts that can be deployed based on committed available financing; the success of our product development efforts and customer preferences, including our SMB PACE, Demand Logic and other products; expected future GAAP and non-GAAP operating results; ; our expectations as to future regulatory and policy outcomes affecting our industry and assumptions relating to the foregoing.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Forward-looking statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. In order to meet our projections, we will need to expand our workforce and increase our installation efficiency. Additional key risks and uncertainties include the effect of electric utility industry regulations, net metering and related policies, the availability and amount of rebates, tax credits and other financial incentives, the level of demand for our solar energy systems, the availability of a sufficient, timely, and cost-effective supply of solar panels and balance of system components, our ability to successfully integrate acquired businesses, operations and personnel; our ability to achieve manufacturing economies of scale and associated cost reductions, our expectations regarding the Riverbend agreement and the development and construction of the Riverbend facility, including expected capital and operating expenses and the performance of our manufacturing operations; the effects of future tariffs and other trade barriers, changes in federal tax treatment, the availability and amount of financing from fund investors, the retail price of utility-generated electricity or the availability of alternative energy sources, risks associated with SolarCity's rapid growth, risks associated with international expansion, the success of our product development efforts and customer preferences, risks that consumers who have executed energy contracts included in reported nominal contracted payments remaining and backlog may seek to cancel those contracts, assumptions as to retained value under energy contracts and contract renewal rates and terms, assumptions as to leveraged retained value and MyPower retained value, including applicable net present values, performance-based incentives, and other rebates, credits and expenses, SolarCity's limited operating history, particularly as a new public company, changes in strategic planning decisions by management or reallocation of internal resources, completion of preparation of financial statements and general market, political, economic and business conditions. You should read the section entitled "Risk Factors" in our most recent Quarterly Report on Form 10-Q and subsequent Current Reports on Form 8-K, which have been filed with the Securities and Exchange Commission, which identify certain of these and additional risks and uncertainties. We do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as otherwise required by law.

Q3 2015 Overview

Development Company

Sales › Installation

- 345 MW Booked, up 50% Y/Y
- 256 MW Installed in total, up 86% Y/Y (203 MW residential, up 69% Y/Y)
- Total Cost of $2.84/W declined 2% Y/Y
- Unlevered IRR of 12% in Q3 (or Unlevered Project IRR of 16%)
- Economic Value Creation of $239M for equity shareholders in Q3, or $2.45 per basic share

Power Company

Financing › Energy Production/ Asset Yield

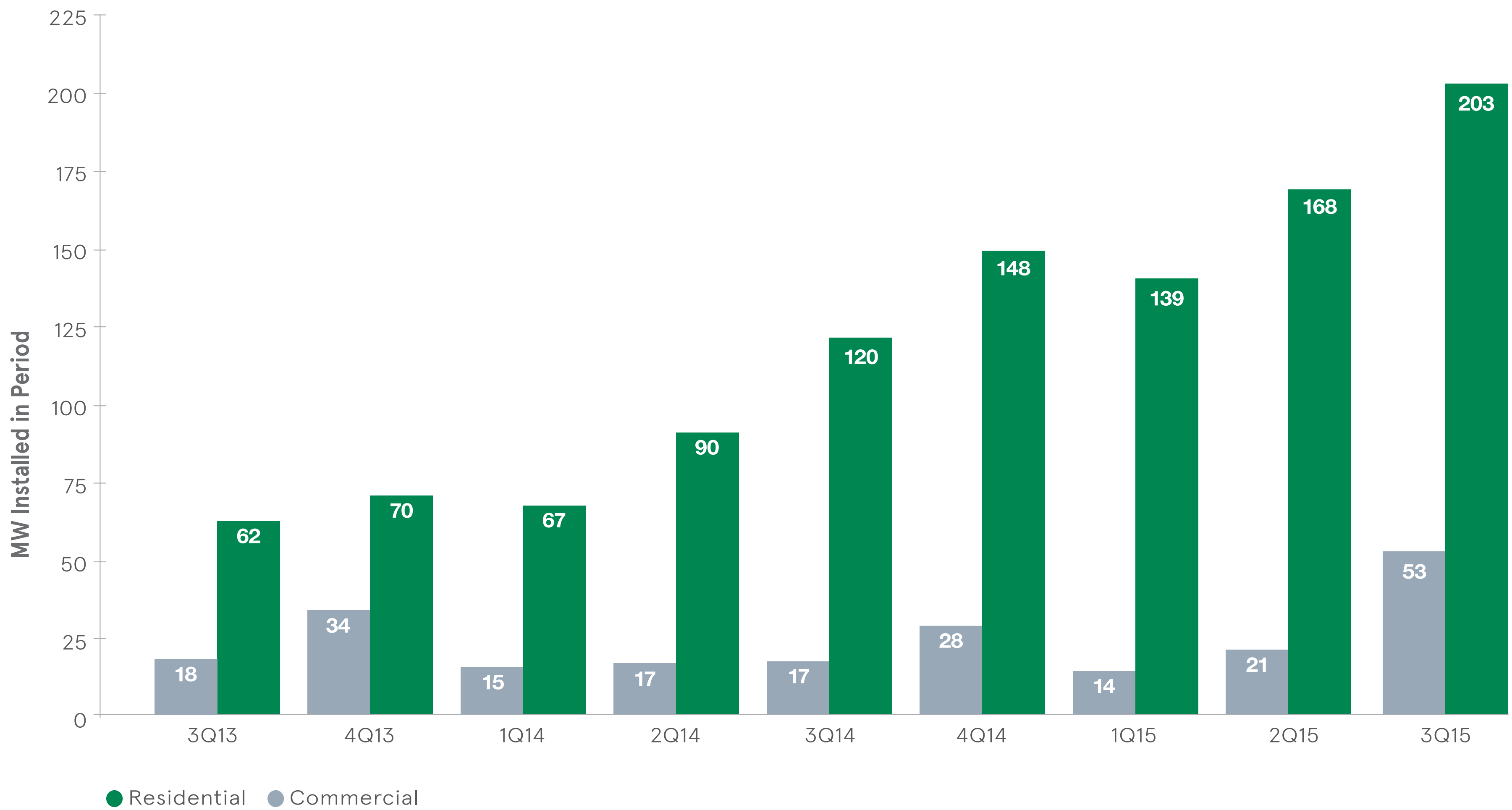
- 298,030 customers, up 77% Y/Y
- Nominal Contracted Payments Remaining up $1.2B to $8.9B
- Net Retained Value of $3.3B (~$33 per basic share)
- PowerCo Available Cash of $112 million TTM ($1.16 per Q3 2015 basic share)

See Appendix slides for relevant definitions

256 MW Installed in Q3 2015

Annualized Installation Run Rate Surpasses 1 GW for the First Time

Residential Installations Grew 69% Y/Y to 203 MW with Commercial up 202% Y/Y to 53 MW



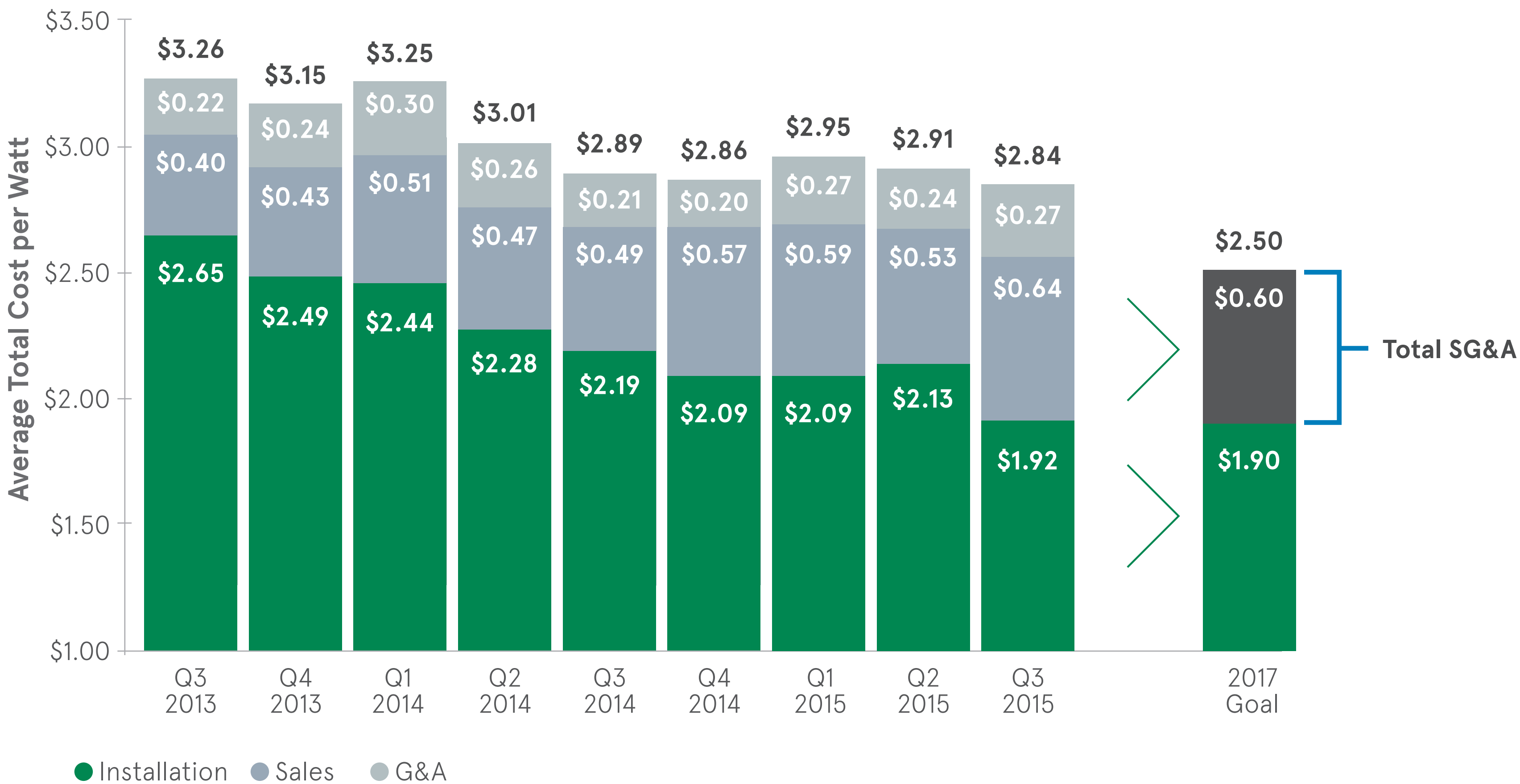
See Appendix slides for relevant definitions

** Figures on page may not calculate exactly due to rounding*

Cost Declines Continue

Q3 2015 Costs of $2.84/W Declined 2% Y/Y and We Expect to Better Our $2.50/W Goal in 2017

Installation Costs Declined 12% Y/Y to New Lows of $1.92/W, Only $0.02/W Away from our 2017 Goal



See Appendix slides for relevant definitions

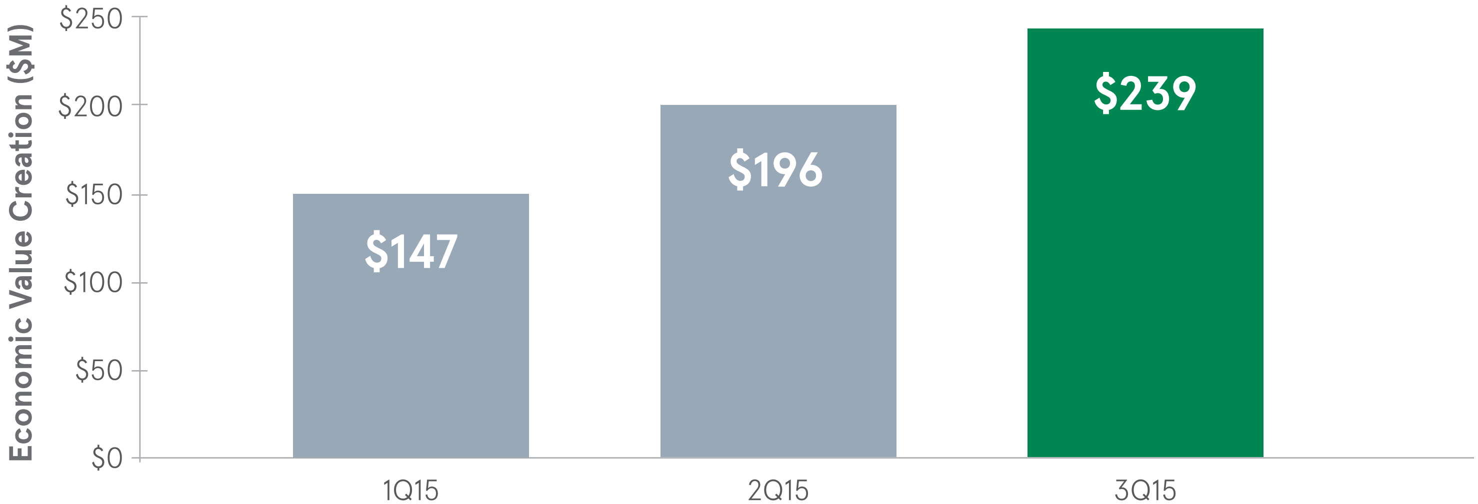
** Reconciliation to our GAAP Financial Statements Available on the Investor Relations Section of Our Website[1]*

** Figures on page may not calculate exactly due to rounding*

Economic Value Creation of $239M in Q3 and $582M YTD

2015 YTD Economic Value Creation Is Estimated at $582M in Total ($397M Excluding Renewals)

In 3Q15, Economic Value Creation Grew 22% vs. the Prior Quarter, to $239M or $1.21/W



KEY CONTRACT TERMS	1Q15	2Q15	3Q15
Blended Year One Energy Production [kWh]	1,412	1,380	1,352
Energy Contract/PBI Price (+ Escalator) [$/kWh]	$0.13 (+2.2%)	$0.13 (+2.2%)	$0.13 (+2.3%)
Unlevered IRR	11%	12%	12%
Economic Value Creation ($/W)	$1.07/W	$1.14/W	$1.21/W

See Appendix slides for relevant definitions

Net Retained Value of $3.3 Billion (or ~$33 per Share)

Net Retained Value Represents Our Discounted Cash Forecast to Equity After Net Debt Outstanding

Assuming No New Contracts or Cancellations, Value Retained by Equity Estimated at $3.3B as of the End of Q3 2015

Forecast at Sept. 30, 2015 ($M)	Total
PPA / Lease Energy Contract (6% discount rate)	*$2,770*
PPA / Lease Renewal (6% discount rate)	*$1,057*
MyPower (6% discount rate)	*$546*
Gross Retained Value Forecast (6% discount rate)	**$4,373**
- Total Debt Outstanding*	($1,535)
+ Cash and Short-Term Investments	$418
Net Retained Value	**$3,256**

* *Excludes Convertible Debt Outstanding of $796 Million as It Is Currently Assumed to Settle in Equity*

Gross Retained Value was $1.78 per Watt at Sept. 30, 2015
with Residential Lease/PPA at $1.89/W, Commercial at $0.85/W, and MyPower at $3.66/W

See Appendix slides for relevant definitions

* *Figures on page may not calculate exactly due to rounding*

PowerCo Available Cash of $112M over Trailing 12 Mos.

Our Proxy for Steady-State Cash Flow, PowerCo Available Cash (PAC) was $112M over TTM

Excluding Tax Equity Distributions which Drop Off After Year 7, PAC was $171M over the Last Twelve Months

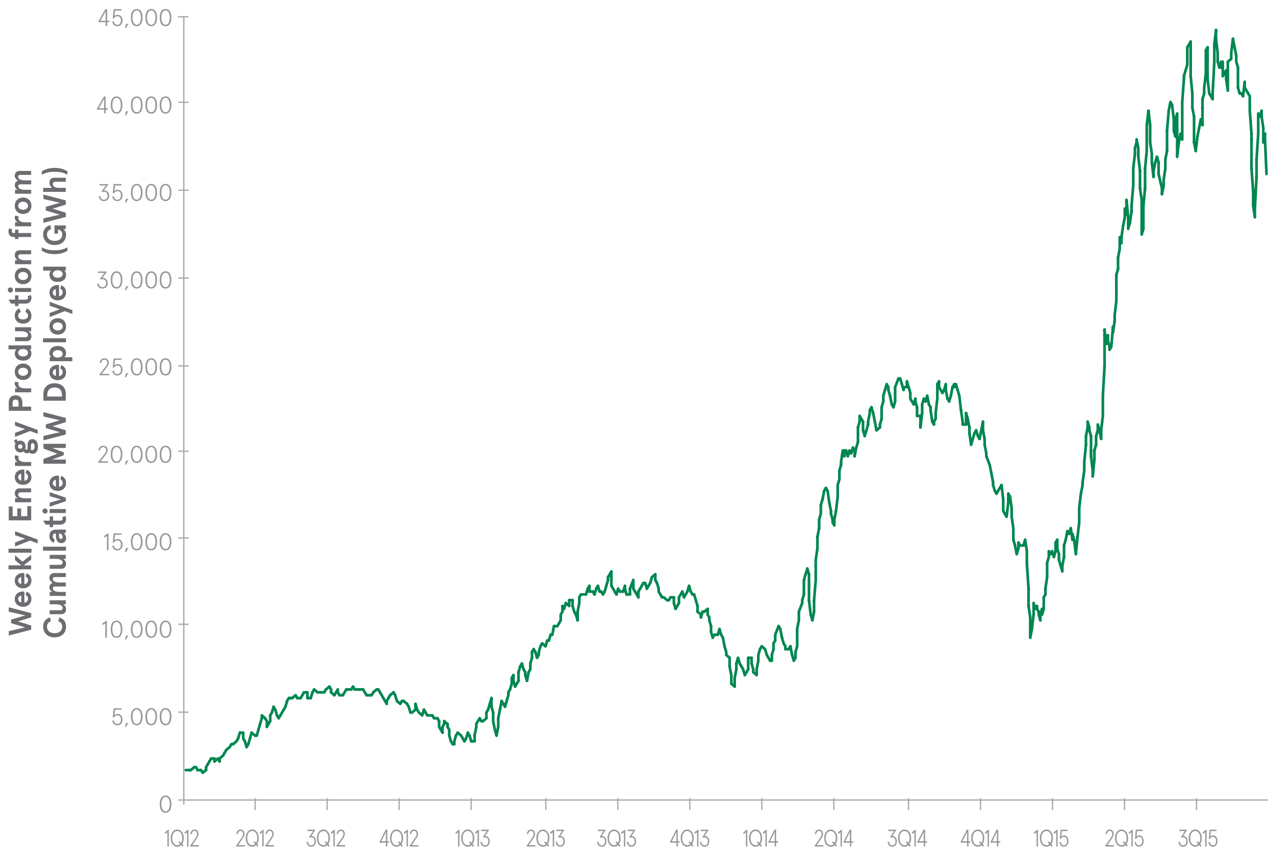
Trailing Twelve Months In $ Millions through:	12/31/14	3/31/15	6/30/15	9/30/15		TTM
PowerCo Revenue	**$49.4**	**$56.1**	**$86.8**	**$94.9**		**$287.2**
Operating Cost of Revenue and Other Expenses	($7.7)	($6.8)	($12.8)	($10.9)		($38.2)
Non-Cash Adjustments and Changes in Working Capital	($9.3)	($4.8)	($25.0)	($27.6)		($66.8)
Periodic Receipts from Lease Passthrough Financing Obligation	$14.4	$4.8	$11.0	$2.0		$32.2
PowerCo Operating Cash Flow before Financing Costs	**$46.8**	**$49.4**	**$60.0**	**$58.4**		**$214.5**
Distributions to tax equity partners	($9.9)	($12.1)	($13.7)	($23.1)		($58.7)
Cash interest on PowerCo debt	($2.5)	($6.8)	($3.6)	($9.4)		($22.2)
Regular principal repayment on PowerCo debt	($2.0)	($5.8)	($1.5)	($6.5)		($15.8)
Additional principal repayment on PowerCo debt	($5.6)	$-	$-	$-		($5.6)
PowerCo Available Cash	**$26.9**	**$24.7**	**$41.2**	**$19.4**		**$112.2**

See Appendix slides for relevant definitions

Performance of PowerCo Portfolio

PowerCo Continues to Demonstrate Steady Generation of High Margin Cash Flows

Energy Production, Customer Payment Performance, and O&M Expenses All In Line or Better than Forecasts



- TTM energy production of 1.5 TWh (up 75% Y/Y)
- Incremental blended contract pricing of $0.13/kWh in 3Q15
- Average FICO score of cumulative residential portfolio >750 as of the end of 3Q15
- Cumulative four-year net loss rate of 0.7%

See Appendix slides for relevant definitions

Guidance for Q4 2015 and 2016

Q4 2015:

- **MW Installed: 280 – 300**

- **Revenue:**
  - –Operating Lease and Solar Energy Systems Incentive Revenue: $70M - $76M
  - –Solar Energy System Sale Revenue: $30M - $32M

- **Operating Lease and Solar Energy Systems Incentive Gross Margin: 30% - 32%**
  - –Includes $4M of amortization of intangibles

- **Operating Expenses: $245M - $260M**
  - –Includes $30M - $32M of amortization of intangibles and stock compensation expenses

- **Non-GAAP EPS: ($2.60) – ($2.75)**
  - –Defined as: (1) Net Income (Loss) before (2) Net Income (Loss) Attributable to Noncontrolling Interests and Redeemable Noncontrolling Interests per (3) weighted average common share outstanding
  - –No guidance on GAAP EPS owing to difficulties in forecasting HLBV

2015:

- **MW Installed: 878 - 898**

2016:

- **MW Installed: 1,250, up 41% Y/Y at the midpoint of 2015 guidance**
- **Positive Net Cash Flow by 2016YE**

See Appendix slides for relevant definitions

Development Activities Drive Power Company Platform

Power Company Represents Yield and Development Company Growth

Equity Value Underpinned By PowerCo's Current Cash Flow Yield with DevCo Driving Higher Cash Flows

Power Company

- Investment grade assets with low delinquencies and loss rates
- $112M in PowerCo Available Cash TTM through 3Q 2015 ($171M post-flip)
- $3.3B in Net Retained Value (cash coming to SCTY over 30 years less net debt today at a 6% discount rate)

Development Company

- Massive and expanding addressable market
- 33% of U.S. residential and ~8% of U.S. commercial solar installations in 1H15
- MW Installed growth of 81% per year since 2013
- Lowest all-in unit costs of the industry[1]
- 2015 YTD Economic Value Creation of $582M ($1.15 per watt) with avg. annual cash flow of $0.06/W over 20 years

[1] Based on data from publicly-traded companies
** 97M basic shares outstanding*
** $796M in convertible debt*

See Appendix slides for relevant definitions

Questions & Answers

Appendix A: Q3 2015 GAAP Statement of Operations

$ in thousands	Consolidated	
Revenue:	**Q3 2014**	**Q3 2015**
Operating leases and solar energy system incentives	$52,178	$85,059
Solar energy system and components sales	$6,165	$28,798
Total revenues	**$58,343**	**$113,857**
Operating leases and solar energy system incentives	$25,728	$46,015
Solar energy system and components sales	$6,640	$42,554
Total cost of revenues	**$32,368**	**$88,569**
Gross profit	**$25,975**	**$25,288**
Sales and Marketing	$56,472	$129,284
General and Administrative	$39,608	$69,423
Research & Development	$4,235	$17,652
Total Operating Expenses	**$100,315**	**$216,359**
Loss from operations	**($74,340)**	**(191,071)**

- Y/Y growth of 63%

- Gross margin of 46%
- O&M and customer account management expense of ~$0.01/W
- Included $4M in non-cash amortization of intangibles

- Includes $18M in MyPower warranties expensed upfront

- Sales & marketing costs up 129% Y/Y on investment in sales force and change in cancellation policy
- R&D growth on solar module and balance of system product development
- Included $3M in non-cash amortization of intangibles and $24M of stock comp

Appendix B: Q3 2015 GAAP Condensed Balance Sheet

$ in millions	As of	
	Jun. 30, 2015	Sept. 30, 2015
Cash & Short-Term Investments (Unrestricted)	$489	$418
Inventories	$280	$309
Other Current Assets	$154	$208
Solar Energy Systems, Leased and To Be Leased	$3,421	$3,870
Other Long-Term Assets	$1,361	$1,707
Total Assets	**$5,705**	**$6,512**
Accounts Payable, Accrued and Other Liabilities	$491	$538
Other Current Liabilities	$53	$49
Deferred Revenue (Current & Long-Term)	$857	$986
Long-Term Debt (Current & Long-Term)	$624	$878
Solar Bonds Debt (Current & Long-Term)	$202	$211
Convertible Debt	$796	$796
Solar-Asset Backed Notes (Current & Long-Term)	$311	$425
Deferred U.S. Treasury Grant Income (Current & Long-Term)	$405	$401
Other Long-Term Liabilities	$482	$606
Total Liabilities	**$4,221**	**$4,890**
Stockholders' Equity	$759	$815
Noncontrolling Interests and Redeemable Noncontrolling interests	$725	$807
Total Liabilities and Shareholder's Equity	**$5,705**	**$6,512**

Appendix C: Debt Profile

		Terms (Yrs.)	$M Outstanding at End of 3Q15	Recourse	Payment Schedule
Power Company Debt	Investment-Grade ABS Debt	8 - 13	$425M	Non-Rec.	Amortizing
	Aggregation/ MyPower Facilities	2 - 3	$570M	Non-Rec.	Amortizing
	Tax Equity	5 - 8	$1,154M*	Equity (Non-Rec.)	Amortizing
Development Company Debt	Revolver and Other	<1	$308M	Recourse	Term
	Solar Bonds	1 - 15	$211M	Recourse	Term
	Convertible Debt	5	$796M	Recourse	Term

$123M LMC4 Issued at 4.4% WACC and Rated A

516 MW undeployed capacity as of 10/28/15

Weighted-Average 2.2% interest rate and 1.3 Yrs. Remaining Term

Appendix D: Derivation of Economic Value Creation

Net Present Value Forecast of $239M to Equity after Forecasted Debt on Q3 2015 Deployments

Debt Assumes 4.5% Cost at a 68-75% Advance Rate on Cash Flows for 20 Yrs. for Leases/PPAs and 30 Yrs. for MyPower

$ Million	Blended Q3 2015 Deployments[2]	DevCo Investment	PowerCo Cash Flow Forecast		
Project Cash Flow Forecast:		Year 1	Annual Avg. of Tax Equity Period (Yrs. 1 – 6.7)	Annual Avg. of Post-Tax Equity Period (Yrs. 6.7 – 20)	Annual Avg. ,of Remaining Life (Yrs. 20-30)
Customer and PBI Revenue	1,352 kWh/kW (-0.5% / Yr.) x $0.13/kWh (@ 2.3% esc.)		$37M	$46M	$54M
SREC Revenue	Blended Contracted		$4M		
Upfront Development Investment	198 MW x $2.84/W	($561M)	$-	$-	**$-**
State Rebates and Prepayments	Blended average across portfolio	$18M	$-	$-	$-
Operations & Maintenance Costs	$0.02/W (+ 2.5% / Yr.)		($4M)	($8M)	($9M)
Gross Project Cash Flow Forecast		**($543M)**	**$37M**	**$38M**	**$45M**
Project Financing:					
Tax Equity Lease/PPA Investment and Distributions	30-40% Pre-Flip; 7% Post-Flip	$307M	($11M)	($2M)	($3M)
PowerCo Unlevered Project Cash Flow Forecast		**($236M)**	**$26M**	**$36M**	**$42M**
Forecasted Non-Recourse Debt	4.5% interest rate	$251M	($18M)	($20M)	$-
PowerCo Available Cash Forecast		**$15M**	**$8M**	**$16M**	**$42M**

Unlevered IRR of 12%

30-Yr. NPV of $239M ($169M contracted/$70M renewal) or $1.21 per Watt at 6% discount rate

** Figures on page may not calculate exactly due to rounding*

Appendix E – Footnotes

[1] http://investors.solarcity.com/events.cfm.

[2] Based on the blended average of all Q3 2015 deployments of both residential and commercial Energy Contracts, including leases, PPAs, and MyPower loans.

Appendix F: Definitions (1/3)

"Backlog" represents the aggregate megawatt capacity of solar energy systems not yet deployed as of the date specified pursuant to Energy Contracts and contracts for solar energy system direct sales executed as of such date.

"Customers" includes all residential, commercial and government buildings where we have installed or contracted to install a solar energy system, or performed or contracted to perform an energy efficiency evaluation or other energy efficiency services.

"Energy Contracts" includes all residential, commercial and government leases and power purchase agreements and consumer loan agreements pursuant to which consumers use or will use energy generated by a solar energy system that we have installed or contracted to install. For landlord-tenant structures in which we contract with the landlord or development company, we include each residence as an individual contract. For commercial customers with multiple locations, each location is deemed a contract if we maintain a separate contract for that location.

"Economic Value Creation" forecast represents our estimate of the 30-year net present value at a discount rate of 6% of the incremental PowerCo Project Available Cash Forecast from the MW Deployed during the applicable period under Energy Contracts. All estimates are before financing transaction costs. "PowerCo Available Cash Forecast" represents (i) Gross Project Cash Flow Forecast, less the sum of (ii) Year One Net Project Investment, (iii) Tax Equity Lease/PPA Distributions, and (iv) debt service on our Forecasted Non-Recourse Debt.

"Year One Net Project Investment" represents our estimate of the required net cash investment of the MW Deployed during the applicable period under Energy Contracts. It is based on (a) the total implied Year One upfront cost of the MW Deployed during the applicable period under Energy Contracts based on our total Cost per Watt reported in the applicable period, and is net of the sum of (b) upfront state rebates and customer prepayments, (c) total expected investment from our tax equity fund investors in the associated lease and PPA Energy Contracts based on agreements already in place, and (d) Forecasted Non-Recourse Debt.

"Gross Project Cash Flow Forecast" represents our estimate of the total project cash flows before financing forecast from the MW Deployed during the applicable period under Energy Contracts over the 30-year expected lives of the systems. This includes (a) cash payments forecast from our customers over the remaining term of such Energy Contracts, (b) estimated performance-based incentives allocated to us over the life of the Energy Contract, and (c) the associated solar renewable energy certificates [SRECs] allocated to us that have been sold under contract (typically representing 5 years of a total potential term of 15 years), and are net of (d) estimated operations and maintenance, insurance, administrative and inverter replacement costs. Operations and maintenance, insurance, and administrative costs reflect our operating expenses in our funds, or are estimated at $0.021 per watt and assumed to grow at a 2.5% inflation rate per year, and inverter replacement unit costs are estimated to decline at a (2.5%) rate per year. Energy production is estimated to degrade at 0.5% per year. For our MyPower Energy Contracts, we use the expected cash flows over the full term of the 30-year contract, and for lease and PPA Energy Contracts with terms less than 30 years, we assume the contracts are renewed at a contract price equal to 90% of the contractual price in effect at expiration of the initial term through the remainder of the expected 30-year system life.

"Tax Equity Lease/PPA Distributions" are based on the terms of the agreements we have in place with our tax equity investment partners for the MW Deployed in the applicable period under lease and PPA Energy Contracts. We do not use tax equity investment for our MyPower product. For tax equity investment in our lease and PPA Energy Contracts, our investment partners share in a portion of the Gross Project Cash Flow received over the term of the agreement. Our estimate is not inclusive of any potential buy-out of our tax equity partners' interests in the project after their minimum rate of return is achieved.

"PowerCo Unlevered Project Cash Flow" forecast represents Gross Project Cash Flow Forecast less Tax Equity Lease/PPA Distributions and is before the servicing of Forecasted Non-Recourse Debt.

"Forecasted Non-Recourse Debt" is estimated based on the forecasted terms of the long-term non-recourse debt we expect to issue collateralized by the MW Deployed during the applicable period under Energy Contracts. We forecast a 73% advance rate on the contracted Gross Project Cash Flow Forecast for our lease and PPA Energy Contracts using a 6% discount rate and a 75% advance rate on the contracted Gross Project Cash Flow Forecast for our MyPower loans using a 6% discount rate based on the terms of the current outstanding facility we use to fund that product. We further assume a 4.5% interest rate, implying principal amortization over ~20 years.

"Financing Receivables" represents our forecast of the additional non-recourse debt financing we estimate we have the capacity to issue through collateralizing our Energy Contracts available for non-recourse debt financing. For our MyPower Energy Contracts, we assume total leverage of $2.65 per watt based on our existing outstanding facility to fund this product. For our lease and PPA Energy Contracts, we assume total leverage of $1.05 per watt for (as compared to our three prior solar asset-backed loan issuances at $1.24 per watt, $1.48 per watt, and $1.71 per watt).

Appendix F: Definitions (2/3)

"Gross Retained Value" forecast represents our estimate of the 30-year net present value at a discount rate of 6% of the unlevered cash flows remaining from all of our Energy Contracts after tax equity distributions but before any additional project or other debt issued to develop and install the systems. It represents the sum of (1) "PPA/Lease Energy Contract Gross Retained Value," (2) "PPA/Lease Renewal Gross Retained Value," and (3) "MyPower Gross Retained Value."

"PPA/Lease Energy Contract Gross Retained Value" forecast represents our estimate of the net present value at a discount rate of 6% of the unlevered net cash flows forecast from all of our lease and PPA Energy Contracts (excluding MyPower consumer loan energy contracts) over the remaining contracted term. This includes for each lease and PPA Energy Contract (a) the Nominal Contracted Payments Remaining, (b) estimated performance-based incentives allocated to us over the term of the Energy Contract, and (c) the associated SRECs allocated to us that have been sold under contract (typically representing 5 years of a total potential term of 15 years), and is net of (d) amounts we are obligated to distribute to our fund investors, (e) upfront rebates, (f) depreciation, and (g) estimated operations and maintenance, insurance, administrative and inverter replacement costs. Operations and maintenance, insurance, and administrative costs reflect our operating expenses in our funds, or are estimated at $0.021 per watt and assumed to grow at a 2.5% inflation rate per year, and inverter replacement unit costs are estimated to decline at a (2.5%) rate per year. Energy production is estimated to degrade at 0.5% per year. This metric includes all lease and PPA Energy Contracts for solar energy systems deployed and in Backlog.

"PPA/Lease Renewal Gross Retained Value" forecast represents our estimate of the net present value at a discount rate of 6% of the additional customer cash payments we would receive upon renewal of all lease and PPA Energy Contracts (excluding MyPower consumer loan agreements) through a total term of 30 years at a price equal to 90% of the contractual price in effect at expiration of the initial term, escalating at the same rate per year as set in the original lease and PPA Energy Contracts, and is net of estimated operations and maintenance, insurance, administrative and inverter replacement costs. Operations and maintenance, insurance, and administrative costs and energy production degradation rates are based on the same assumptions as in PPA/Lease Energy Contract Gross Retained Value. This metric includes all lease and PPA Energy Contracts for solar energy systems deployed and in Backlog.

We assume renewal due to both (1) a longer life expectancy of the equipment used in our solar energy systems (typically 30 years or more) vs. our lease and PPA contract terms (typically 20 years) and (2) our assumption utility retail rates continue to increase at their historic pace and our expectation that the price of our energy contracts will continue to represent an economic incentive for our customers to renew their contracts.

"MyPower Gross Retained Value" forecast represents our estimate of the net present value at a discount rate of 6% the unlevered net cash flows forecast from all of our MyPower consumer loan Energy Contracts (excluding lease and PPA Energy Contracts) over the remaining contracted term. This includes for each of our MyPower consumer loan agreements (a) the Nominal Contracted Payments Remaining, (b) estimated performance-based incentives allocated to us over the life of the Energy Contract, (c) and the associated SRECs allocated to us that have been sold under contract (typically representing 5 years of a total potential term of 15 years), and is net of (d) upfront rebates, (e) depreciation, and (f) estimated operations and maintenance, insurance, administrative and inverter replacement costs. Operations and maintenance, insurance, and administrative costs and energy production degradation rates are based on the same assumptions as in PPA/Lease Gross Retained Value. This metric includes all MyPower consumer loan Energy Contracts for solar energy systems deployed and in Backlog.

"Gross Retained Value per Watt" is computed by dividing Gross Retained Value as of such date by the sum of total MWs deployed under Energy Contracts as of such date plus MWs booked under Energy Contracts as of such date but not yet deployed.

"MW" or "megawatts" represents the DC nameplate megawatt production capacity.

"MW Booked" represents the aggregate megawatt production capacity of solar energy systems pursuant to customer contracts signed (with no contingencies remaining) during the applicable period net of cancellations during the applicable period. This metric includes solar energy systems booked under Energy Contracts as well as for solar energy system direct sales.

"MW Deployed" represents the megawatt production capacity of solar energy systems that have had all required building department inspections completed during the applicable period. This metric includes solar energy systems deployed under Energy Contracts as well as for solar energy system direct sales.

Appendix F: Definitions (3/3)

"MW Installed" represents the megawatt production capacity of solar energy systems, for which (i) all solar panels, inverters, mounting and racking hardware, and system wiring have been installed, (ii) the system inverter is connected and a successful DC string test has been completed confirming the production capacity of the system, and (iii) the system is capable of being grid connected (including pending a utility disconnect procedure), the latest of which is completed during the applicable period. This metric includes solar energy systems deployed under Energy Contracts as well as for solar energy system direct sales. In each case in-period completion of the above criteria may be demonstrated by written verification by each of the Chief Financial Officer and the Chief Operating Officer (which may include written sub-certifications).

"Net Retained Value" forecast represents Gross Retained Value less (i) net debt outstanding as of the applicable period end and (ii) forecasted net cash costs to deploy backlog as of such date. "Net debt" represents the aggregate amounts outstanding under all non-convertible debt facilities, including all solar asset-backed loans, aggregation and MyPower facilities, Solar Bonds, other corporate debt, and our revolving credit facility as of the applicable period end, net of available cash and cash equivalents as of the applicable period end, and excludes outstanding convertible notes which we assume will be settled in equity. "Forecasted Net Cash Costs to Deploy Backlog" represents our estimate of the cash required to complete deployment of systems under Energy Contracts in backlog as of the applicable period end; it assumes the installation cost of the most recent period net of the expected tax equity investment from those deployments and no cancellations, and is net of the amount outstanding under our revolving credit facility as of the applicable period end, which we have assumed for this purpose to have been drawn down to fund initial sales costs and working capital to develop our backlog to date. This excludes incremental G&A and any potential future sales costs related to such MW.

"Nominal Contracted Payments Remaining" represents our estimate of the sum of cash payments that are customers are obligated to pay us under our Energy Contracts over the remaining term of such contracts. This metric includes Energy Contracts for solar energy systems deployed and in Backlog. As an example, if a customer is 2 years into her 20 year contract, then 18 years of contract payments remain. As an additional example, if a customer chose to pre-pay her Energy Contract, then it is included in estimated Nominal Contracted Payments Remaining only while it is in Backlog as the pre-payment has not been received. Payments for direct sales are not included.

"PowerCo Available Cash" represents the net cash flows associated solely with our Power Business, which generates a predictable long-term cash flow stream from our Energy Contracts and the underlying solar energy systems that have cumulatively been deployed through the applicable period. It excludes the net cash flows associated with our Development Business, which is dedicated to investing in and financing new solar energy systems to grow our Power Business, and thus excludes (a) installation costs, (b) sales costs, and (c) G&A costs incurred through the applicable period. PowerCo Available Cash represents our core cash flow generation assuming no additional development of new customer installations, though if PowerCo were actually to separate from DevCo it would likely retain some portion of the G&A costs. PowerCo Available Cash is calculated as (1) total cash payments from all Energy Contracts installed through the applicable period, including PBIs and SRECs less the sum of (2) operations and maintenance, insurance, administrative and inverter replacement cash costs, (3) tax equity cash distributions, and (4) interest and principal repayment debt service on all non-convertible debt including solar asset-backed loans, aggregation facilities, revolving credit facilities, and Solar Bonds.

"Undeployed Tax Equity Financing Capacity" represents a forecast of the amount of MW that can be deployed based on committed available tax equity financing for Energy Contracts.

"Unlevered IRR" represents our forecast of the internal rate of return (IRR) we expect to receive on our Unlevered Year One Investment for MW Deployed during the applicable period under Energy Contracts based on PowerCo Unlevered Project Cash Flow, and "Unlevered Project IRR" represents our forecast of the IRR we expect to receive on our investment solely in installation and sales costs yet excluding G&A expenses. "Unlevered Year One Investment" represents Year One Net Project Investment, less total expected investment from our tax equity fund investors in our lease and PPA Energy Contracts.

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Thank you