

The Next 1 Billion:

Commercializing minigrids



Energicity

For the 1 billion people
without electricity...

Affordable, reliable
electricity through solar
powered minigrids

to provide for every
household and commercial
need

starting with 100,000
people in Ghana, Sierra
Leone and Nigeria



Gearing the price value ratio to meet customer goals is essential...

Affordability

Is minigrid power lower cost than what customers are already spending?



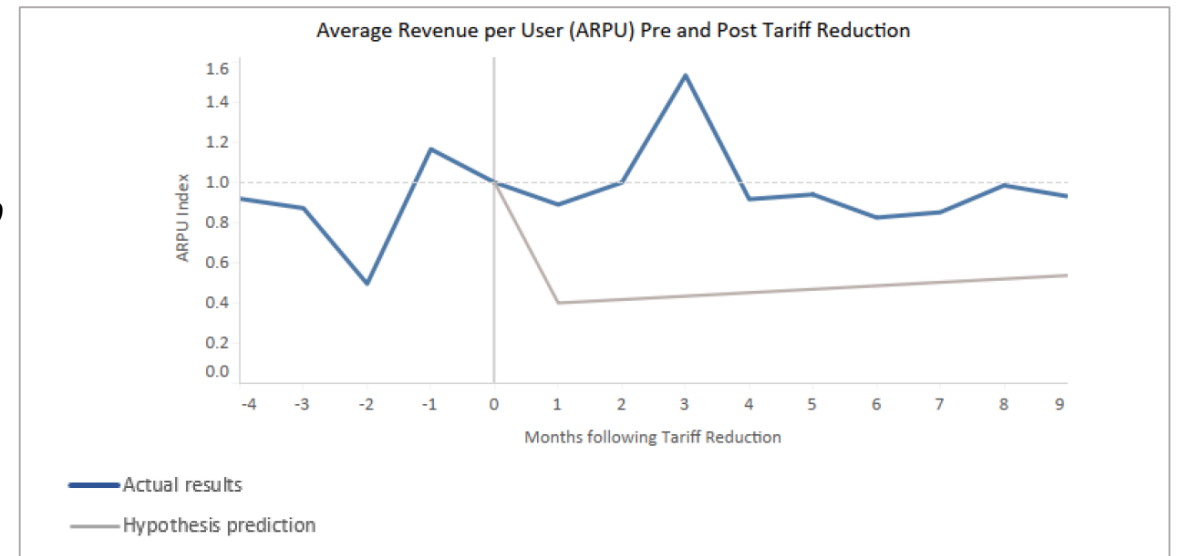
Option to Pay Weekly... Easy on your Pocket!

	ECO	PRO	PRO+	HOME Bundle	HOME + Bundle
Portable Light	✓	✓	✓	✓	✓
Read & Study	✓	✓	✓	✓	✓
Charge phone		✓	✓	✓	✓
Radio & MP3 player			✓	✓	✓
Charge small DVD				✓	✓
Light multiple rooms				3 bulbs + torch	4 bulbs + torch
Hours of light per charge*	30 Hours	36 Hours	24 Hours	24 Hours	24 Hours
Deposit	Le 20,000**	Le 60,000	Le 90,000	Le 250,000	Le 350,000
Weekly Top-Up	Le 5,000**	Le 10,000	Le 15,000	Le 20,000	Le 25,000
Total Price	Le 140,000**	Le 450,000	Le 540,000	Le 1,500,000	Le 1,900,000
Buy Cash!	Le 120,000	Le 390,000	Le 450,000	Le 1,190,000	Le 1,490,000

*Maximum light on lowest setting. **Pricing plan available in selected locations.

Price elasticity

Is minigrid power low enough cost to drive consumption? And economic development



Source: Crossboundary and Energy 4 Impact, Innovation Report: Price Elasticity of Power May 2019

We think we know
what customers value
but what is the
optimal tradeoff

What do
Customers
value more...

Availability?



Flexibility?

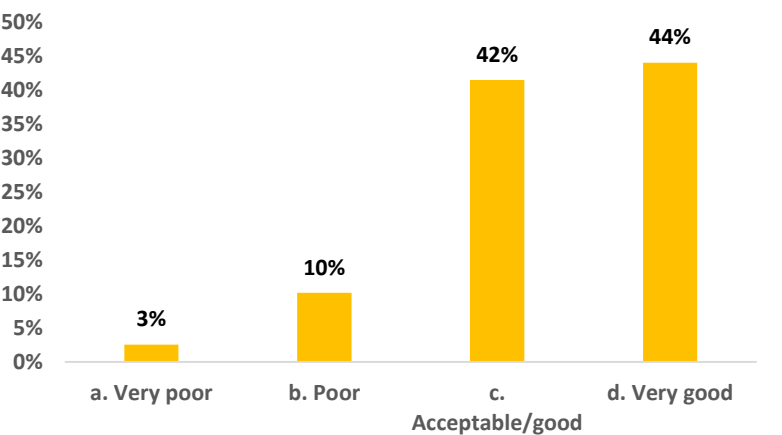


Ease of use?

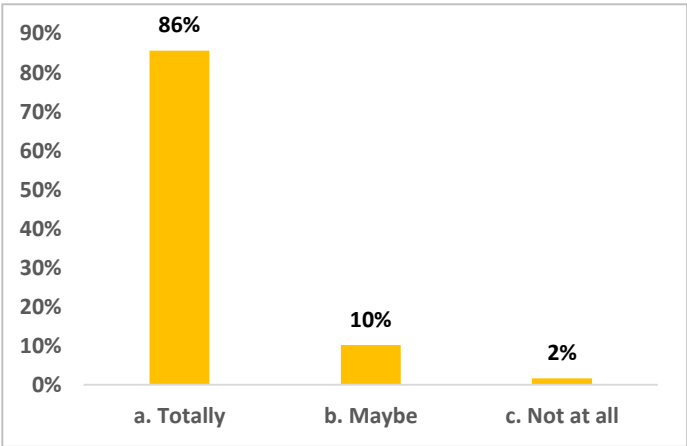
Tariff Structure?

Still need innovation on optimizing...though a Net Promoter score of 84 isn't bad

How would you rate the electricity service in general? => "Good" to "Very good" at 87%



Would you recommend BSE to family and friends? => "Totally" at 86%



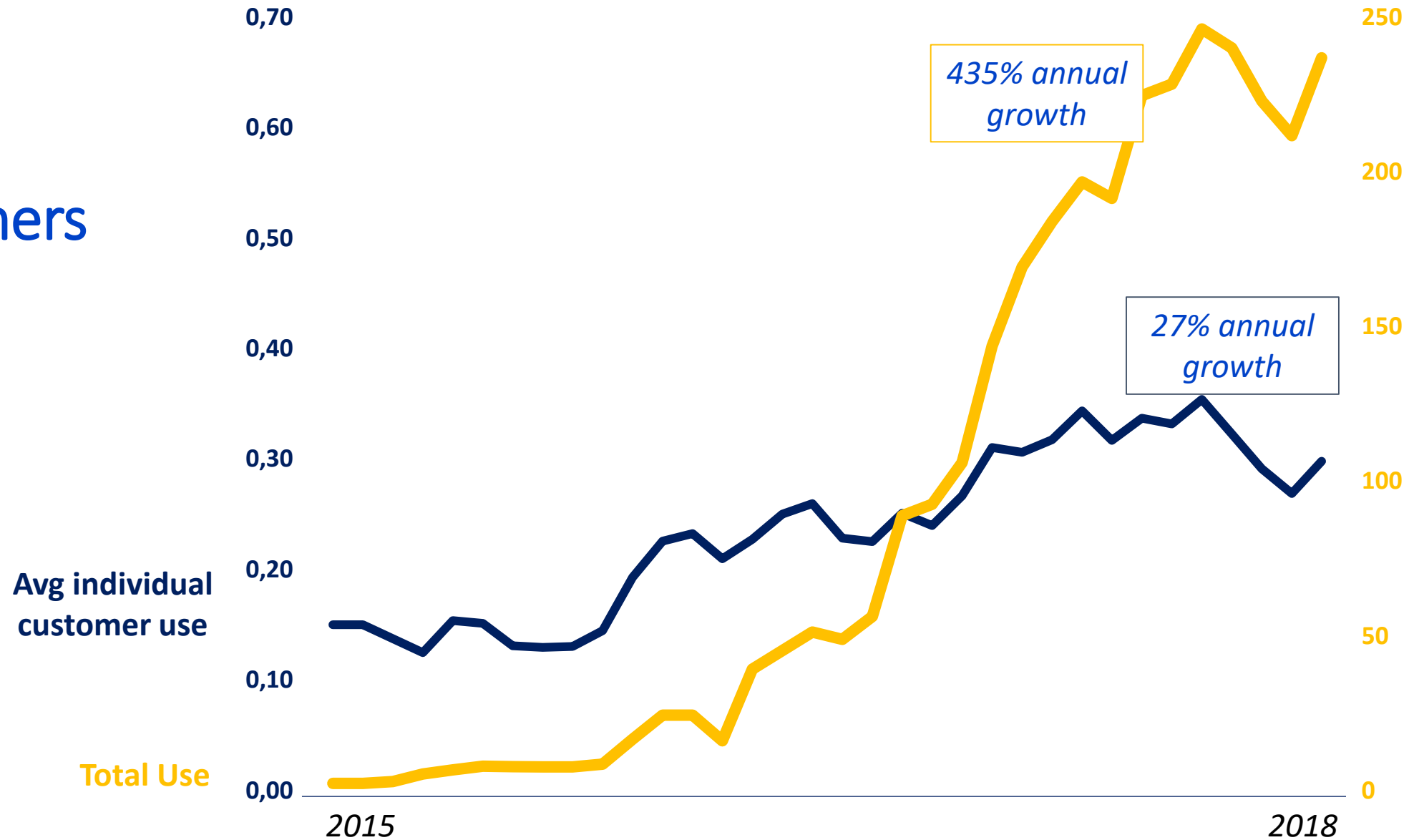
Enabling
customer
success

*Increase in incomes
up to 11x*



When customers
succeed, we
succeed...

Black Star Energy Customer Electricity Usage



Key to commercialization is having a strong value proposition including low cost...

Making unit economics work through productive uses or anchor loads



Challenges to successful productive use strategy include:

- Technical demand of loads
- Business model
- Value chain disruption
- Equipment financing and credit

*Source: NREL Power Africa
Productive use of Energy in African
Microgrids, August 2018*

...or through operational efficiency, which combines technology process and team



Regulation can be a barrier to
or encouraging of
commercialization ... but
always considered a risk



Thank you

Nicole Poindexter
nicole@energicitycorp.com

