

**Streetlight Intelligence Inc. Is Focused On Developing And Bringing To Market Innovative Streetlighting Technology That Will Benefit Cities, Municipalities And Utilities By Increasing Energy And Maintenance Efficiency While Decreasing Electricity Consumption And Decreasing Greenhouse Gas Emissions**

**Energy  
Streetlight Optimization  
Environmental Technology  
(SLQ.V)**

**Streetlight Intelligence Inc.**

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**Vince Krynski  
CEO and Director**

**BIO:**

Mr. Krynski has a proven track record of building shareholder value through high-growth opportunities in the manufacturing and technology sectors. He has broad experience creating and managing both private and publicly traded small to mid-size businesses and his successes to-date include:

- Founding HTI Canada Ltd., an oilfield production equipment supply company which was sold in 1994 to Kvaerner Process Systems Inc.;
- Co-founding and leading Dyad Holdings Ltd., parent of Dyad Data Services, a Calgary leader in the management and

storage of geophysical data which was sold in 1999;

- Co-founding Ceramic Protection Corporation (CPC), an advance ceramics technology company manufacturing wear products and ceramic ballistics protection products for personal and vehicle protection (TSX: CEP);

- Co-founding Foundry Ventures, an investment partnership focused on early stage technology for advanced manufacturing companies.

Mr. Krynski currently serves on the boards of Macro Industries Inc., a public Northern BC pipeline construction company, Streetlight Intelligence Inc. (TSX-V:SLQ) a Victoria BC based streetlight optimization company and Starscriber a private US based telecom optimization company.

**Company Profile:**

Streetlight Intelligence Inc. develops advanced streetlight optimization systems. Trademarked as Lumen IQ™, SLQ's technologies provide improved lamp performance, adaptive lighting control, and system-wide communications for centralized streetlight management. SLQ's systems enable streetlight operators to significantly reduce their community's energy consumption, maintenance costs and environmental impact.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFOinterviews.com**

**CEOCFO:** Mr. Krynski, would you tell us what streetlight optimization consists of and what Streetlight Intelligence is doing?

**Mr. Krynski:** Streetlight Intelligence is able to take current streetlighting and through the installation of Streetlight's innovative products and software increase the energy and maintenance efficiency, and decrease the amount of greenhouse gas used in production of electricity for streetlights. What most people don't know is up to 35% of municipal electricity bills are for streetlights alone. We can reduce the energy consumption by 40% or more, as well as offer operational efficiencies. In addition, in areas where there are greenhouse gasses associated with the production of electricity, we can reduce the greenhouse gas by a corresponding amount to the energy consumption reduced. We also can enhance community satisfaction. In areas of sleeping communities, in the middle of the night you don't need nearly as much light. We can reduce the light and have found that it has a very positive effect on the community. This also adds up to an attractive return for the operator. Our technology works with the legacy systems that are out there; high-pressure sodium, as well as the new, more energy efficient systems that are coming on which are like LED lighting,

**CEOCFO:** What are the parameters and how does the technology work?

**Mr. Krynski:** Generally, a streetlight is put in place for reasons and are designed to lighting standards. For example, a streetlight placed outside of a library makes sure there is sufficient light up until closing time for the library. Once everybody has gone home, the amount of streetlight outside that library does not need to be as bright because the interaction of people is limited. Therefore, at

one o'clock in the morning you may elect to reduce the amount of street lighting outside that library. In the morning people return to the library, say sometime around eight o'clock, so some time earlier than eight o'clock we can return the streetlight to full brightness.

It is also important to note that when new street lighting is put in what we often have is an over light condition. This occurs because the light levels designed for, take into account that over the life of the street light the amount of light output will decrease over time. Therefore, the first time that they turn on the new streetlight it generally is over-lit to what it is going to be in say five years out when they will be looking at replacing the bulb. Our system provides the scheduling. We can wirelessly set the light level where it needs to be and eliminate the over light condition and reduce the light level at any time to accommodate various lighting schedules. The decision to reduce or increase light levels is made by the operator of the streetlights, generally the municipality or the city or in some places it may be a utility that has the contract for supplying the streetlight and its power.

**CEOCFO:** Would you tell us about some of the components to your system?

**Mr. Krynski:** We have three main components to our system. Our first component is a wireless Lumen IQ controller and that fits into every streetlight. So each streetlight is controlled independently of each other according to what the operator wants. Each wireless controller talks to a Lumen IQ Base Station, our second main component. We might have one station for every 250 to 500 controllers. Our station communicates with each streetlight through a unlicensed band like 900 MHz in North America. The station communicates to our Lumen IQ Control management software, our third main component, via any type of communications protocol that an operator may want. It could be via cell phone network, or Ethernet if available. Through our Control software the operator sets the dimming schedules and receives performance information associated with each streetlight. Our central software is set up with

a graphical interface and each light can be looked at as part of a group or independently. Through the use of our Control management and reporting software you can receive energy use reporting and supply maintenance instructions. For instance, each the morning you could open the software and find a report that says light number xyz is developing a problem that should be looked at physically, and a GPS location of that light. Without the use of such a system operators of streetlight people don't know whether a streetlight is either on or off unless someone tells them. There is no intelligence in streetlights so it is just like a bulb in your home. A streetlight bulb might burn out, and the operator does not know. However, our system will tell them and give them the information to proactively address any and all performance issues.

**CEOCFO:** How long has this been available; where are you in the process?

**With upward of 300 million streetlights in the world today and many countries struggling to keep the lights on, Streetlight Intelligence Inc. is in the right market and the right time with their Lumen IQ™ technology that will increase energy efficiencies while decreasing cost and greenhouse gas emissions. - Vince Krynski**

**Mr. Krynski:** We are entering fully into the commercialization phase of the product. We are very proud to say that we have successfully piloted this technology throughout Canada. The concept began probably over ten years ago. We brought in a new management team in 2008 to move our product and company into commercialization. We received the Technology of the Year Award in 2009 from BC Hydro, and have had strong support from utilities including Enmax, a Calgary owned utility, Hydro Ottawa, and Fortis BC. We are starting to get lots of people step up and take notice of us and our technology. We have done demonstration projects across Canada and we exposed the technology to over 41 communities and utilities. We have about 27 pilots in various stages of completion, and others due to start soon. We are right at that point where people understand the technology makes sense, that it does save energy costs, and that it does give them

insight into maintenance. So we are looking forward to a wonderful future here not only in North America, but internationally.

**CEOCFO:** Are the municipalities and utilities actively looking to make a change or will they need to be sold on your technology?

**Mr. Krynski:** Some are actively looking to make a change and some need to be sold. The pressure to have greener communities is upon everyone, and the question is how do you practically do that? Street lights are everywhere and if you are able to operate them far more efficiently you can certainly take a big bite out of the communities carbon footprint and energy costs. Those that are concerned and actively looking forward to greener communities are looking at technologies like our Lumen IQ™.

Our technology is disruptive because it changes the way in which people look at street lighting today. Many municipalities and cities do not necessarily look at street lighting as being a place that they can save energy or reduce their carbon footprint. We offer that.

So we see a combination of people that don't know such technology is available, to those that are actively looking at different light bulbs or newer generations of streetlights hoping to save energy.

**CEOCFO:** Would you tell us about the Trans Canada highway project?

**Mr. Krynski:** This is important to us. It is not huge from the point of view of a revenue perspective, but it shows that someone like B.C. Ministry of Transportation can test our product as they did in two places and have confidence in using it on a highway project. This is news from the perspective of that the government can actively engage and can be confident that the Streetlight Intelligence system will work and will give them controllable light levels and information that they currently do not have. We hope that this continues on particularly in the province of B.C., where B.C. Ministry of Transportation and BC Hydro controls numerous lights along in B.C.

**CEOCFO:** What is the return on investment?

**Mr. Krynski:** That is a hard question to answer because the cost of electricity, maintenance and greenhouse emissions varies from place to place. In many parts of Canada we are blessed with having some of the lowest priced power in the world. That is a blessing in the view of a consumer of electricity, but it is also a problem for the initial launching of products like ours into the marketplace. For instance, in some places where the electricity costs \$0.15 cents a kilowatt hour, the return on investment is far quicker than where it costs \$0.06 cents a kilowatt hour. It is interesting to note though that governments are spending huge amounts of dollars encouraging the implementation and the production of electricity with new age types of production such as wind, solar, even wave energy. Those newer types of electricity cost far more than the current hydro power and generally more than electricity that is produced by fossil fuels. What we don't generally see are those same rates being applied to the acceptance of new technology except in a few cases. If that were to happen with this technology, the ROI for our products would easily come into three to five year time frame or less. It is incumbent upon us to continue to make the case that the electricity that we save is just as valuable as new electricity that is produced by more environmentally-friendly, far more expensive technologies than what people are used to today. At the same time, as we continue our progress in commercializing the product increased order volumes will help us reduce the cost and we are always working very hard to reduce the cost of our product components. Maintenance savings also vary from place to place and at our initial stages of market introduction there is no consensus as to what should be used in calculating ROI. This will change as more customers gain operating experience with our technology. Green house gas credits also vary considerably from place to place depending on how the electricity is produced. Ideally, we wish to give the customer a three to four a year ROI, which we believe customers would readily accept.

**CEOCFO:** Tell us more about the commercialization plan, and what you will be doing in the next year?

**Mr. Krynski:** We will continue to work with communities that we have already started with. Our interest is to have a few key reference large clients soon. A lot of the revenue numbers for individual projects that we have announced are not very big in themselves, albeit these projects have proven the concept and will lead to much larger orders. We will continue to develop the market here in Canada to a point where we have a large number of users in much larger quantities. We are also going to go different places in the world where the cost of electricity is much higher and are actively searching for channel partners that can take our product into the international arena. We have a project that we are working on in Qatar where they are paying for a small pilot and our group to go over there. A simple small pilot in a place like Qatar has the potential of contributing a large number of units and revenue to a small company like ours. A lot of people are interested in our company because they appreciate the huge market potential of applying our technology to upwards of over 300 million streetlights around the globe. In North America alone the number of streetlights is somewhere in the neighborhood of 60 to 70 million. The global requirement is real as electricity continues to increase in cost and in many other parts of the world electricity is far more expensive than in BC. In fact, today many communities are actually turning streetlights off because they cannot afford the electricity to run them. This has a huge political cost which we can address. Today in many areas of the world they cannot afford a lot of the new type of lighting that is coming along such as LED, which are a multiple of the cost on what they currently have. We can address that as we can work with most legacy systems as well as the newer LED streetlights and give them both a higher level of energy efficiency.

**CEOCFO:** Speaking of dollars and efficiency, what is the financial picture like for Streetlight Intelligence?

**Mr. Krynski:** Currently we are contemplating another private placement offering to raise money. It has been a very

challenging environment as you might imagine for a micro cap company such as ours to raise money. We are thankful that many of our significant investors have been very patient and continue to support us. Hopefully, they will continue to support us until we reach a positive cash flow position, which we hope to do in the upcoming year.

**CEOCFO:** What is the barrier to entry?

**Mr. Krynski:** There are multiple barriers to entry. One is building the technology into a complete system and to that end; we have developed a number of patents over the years. Secondly, you need an actually understanding of what the market needs and wants which is not readily apparent. Then it is about developing a software suite that is easy to use, yet has enough functionality to be used as an everyday maintenance tool for management of streetlights. The marketplace we are in is a very conservative one so there needs to be a tremendous amount of testing that goes into these sorts of products, and that testing takes time which alone is a huge barrier to entry. Streetlights have been around for a long time, they work, they go on and off, and so the whole idea of bringing in a new technology that is going to change it, is a barrier to entry in itself. If anybody new was to come along they certainly would take a number of years to be able to create and test their product and prove it out beyond a shadow of a doubt. We have gone through that gauntlet a number of times here and feel that we are well positioned.

**CEOCFO:** Make the case for potential investors, why should they pick Streetlight Intelligence out of the crowd?

**Mr. Krynski:** I believe the growth picture that we project is a wonderful investment story. The public markets today do not fully appreciate the future as we see it, but that is the bane of existence in being a small micro-cap in the Canadian market. In addition, if you are interested in things that are "green" we are definitely a way in which people can green up the earth in an efficient effective way. So it feels good to go to work everyday.



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