



MORE THAN A SEAT: WHY I AM THE IDEAL CANDIDATE TO JOIN WAPA'S BOARD 9-15-2021

From:

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To:

The Honorable Albert Bryan Jr.

Governor of the United States Virgin Islands

1105 King Street

Christiansted, VI 00820

Dear Governor Bryan:

It is my honor to be considered for a Board Director Position at WAPA. I have been preparing for this moment my entire career. You will notice from my resume that my entire career has been dedicated to the combination of Innovation & Energy. This was deliberate. As long as I can remember, there has always been room for improvement in terms of reliability and cost effectiveness of energy in the Virgin Islands. From a young age, I decided that I wanted to immerse myself into all things energy, so that I would one day be positioned to help my home territory. That time is now. My energy knowledge/expertise spans from Gas Turbines & Aeroderivative Turbines (General Electric) to Rocket Propulsion (SpaceX) & Electric Vehicles (Faraday Future + Romeo Power). Also, being ingrained in the Energy Industry throughout my entire career, has enabled me to build a Strong Network of Multi-Billion Dollar Company/Industry Leaders that can possibly help the Virgin Islands with our WAPA Optimization Journey (via technical and/or financial services). Below you will find high level details of my approach to the Board Director Role, if selected, as well as how I see an optimized WAPA benefiting the people of the Virgin Islands. I look forward to taking part in the vetting process and I am excited for the possibility of serving the people of the Virgin Islands via this Role.

RELEVANT EXPERIENCE (RESUME ATTACHED WITH APPLICATION)

I am the Founder, Chairman, and Chief Executive Officer of DB Squared Holdings, which was founded in 2019. I am an accomplished Product Management Leader with expertise in Operations Management, Financial Management, Lean Six Sigma, Supplier Development, Strategic Sourcing, and Product Quality Management. Previously I served as the President and Chief



Executive Officer as well as Board Director of Romeo Power Inc. (NYSE: RMO); and currently serve as a Board Advisor to the Company.

Since 2016, I have held various roles at Romeo Power Inc. From December 2016 to June 2018, I served as Vice President of Engineering Operations and Global Procurement; from June 2018 to February 2019, I served as Chief Operating Officer; and from February 2019 to September 2020, I served as President and General Manager of North America. Prior to Romeo Power Inc., from November 2015 to December 2016, I was Purchasing Manager of Powertrain, Battery, and Thermal Systems at Faraday Future. I have also held various roles at SpaceX and General Electric.

I hold a B.Sc. in Mechanical Engineering from Syracuse University and M.P.S. in Supply Chain Management from the Pennsylvania State University.

MY APPROACH WORKING WITH EXECUTIVE DIRECTOR/CEO OF WAPA

If approved, I plan to take a hands-on approach working with the Executive Director/CEO of WAPA especially on the Electrification/Grid Optimization & Fund-Raising Initiatives. My experience building startups and as a Public Company Board Director & CEO has equipped me with key knowledge when it comes to Complex Project Implementation, Fund Raising Strategies, Leadership Development, Communication Strategy, etc. I am sure that the permanent CEO will be properly equipped for this critical role. However, I can help him or her avoid mistakes that I have made in the past, as well as provide key advice on wide ranging company turnaround/cultural challenges. If approved for the Board Director Role, you can also count on me to be an Advisor to the Executive Director/CEO.

WAPA 2.0: IMPROVING THE UTILITY & BETTERING VIRGIN ISLANDER'S LIVES

One of the most important aspects of holistic prosperity within a society is access to reliable and cost-effective energy. Access to reliable and cost-effective energy can enable a child to read one more book at night, give a Business Leader the confidence to reinvest in his or her operation for growth or improve the cash positions of families in need. It is no secret that the US Virgin Islands currently does not check the boxes of reliable nor cost effective. As a Business Leader myself, I will be the first to admit that not all issues are understood from the outside looking in. However, my experience as an Electrification Leader positions me well to give some suggestions that we can follow as a Board even though I don't have all the facts now. The following is a high Level Three Phase Guideline that we can pulse as an entire Board of Directors, as well as Key Roles that need to be filled to help drive these initiatives. Each Phase will be executed utilizing the DMAIC Approach: Define, Measure, Analyze, Improve & Control. **The key Phases are Stabilize, Optimize + WAPA 2.0.**

- **Phase Based Approach:**
 - **Phase 1 – Stabilize: Mobile Energy Storage + Vehicle 2 Grid**
 - **Solution:**
 - ✓ Electric Commercial Vehicles Turned Into Power Plants via Vehicle To Grid (V2G) Partnership
 - ✓ Station Storage On Wheels w/ V2G Capability



- ✓ Vehicle Batteries will Store Energy When the Grid Doesn't Have Immediate Need for it
- ✓ Flexible Clean Energy Deployment As Needed
- **Benefits:**
 - ✓ Lowered Energy Costs to Virgin Islanders
 - ✓ Vehicles Provide Grid Services While Plugged In and Charging
 - ✓ Generate Revenue By Reselling Unused Vehicle Energy Back to the Grid During Peak Hours
 - ✓ Reduces Load On The Grid and Enables Emergency Back Up Power
- **Phase 2 – Optimize: Stationary Storage Deployment + Energy Management System**
 - **Solution:**
 - ✓ Plug & Play ESS Solutions
 - ✓ Scalable Energy Storage
 - ✓ Integrated Thermal Management
 - ✓ Existing Infrastructure Utilization
 - **Benefits:**
 - ✓ Lowered Energy Costs to Virgin Islanders
 - ✓ Peak Shaving + Energy Arbitrage
 - ✓ Solar + Storage
 - ✓ Load Shifting + Demand Response
 - ✓ Reduces Load On The Grid and Enables Emergency Back Up Power
- **Phase 3 – WAPA 2.0: Public Private Partnership for Grid Decentralization**
 - **Solution:**
 - ✓ Public Private Partnerships with Key Value Chain Partners to enable Grid Decentralization
 - ✓ Integrate Solar, Battery Storage + Microgrids to increase percentage of energy originating from Renewable Sources
 - **Benefits:**
 - ✓ Lowered Energy Costs to Virgin Islanders
 - ✓ Enables transition from non-efficient power generation assets to Renewable Energy assets
 - ✓ Lower Total Cost of Ownership throughout entire Value Chain

WHAT IT WILL TAKE + WHO IS NEEDED

The maximum success of the Phased Approach will not be achieved without the proper/robust Commitment and Personnel. Overhauling the Utility is no easy feat. There are Requirements for Speed of Robust Results and Personnel Needs that are paramount.

- **Requirements for Speed of Robust Results**
 - Understanding and/or Commitment to the Mission of the Utility
 - Commitment to a Renewable Energy Future
 - Alignment/Direction Among Governing Bodies + Leadership of the Utility



- Transparency Regarding Actual Current State Challenges + Risk Register to Overhaul the Utility
- Budget, Planning, Infrastructure and Execution Necessary to Overhaul the Utility
- *Raise Multi-Billion Dollar War Chest to Enable WAPA 2.0 (Creative Financial Instruments Necessary)*
- **Personnel Recommendations**
 - Elect Utility Turnaround & Renewable Energy Experts to Board of Directors (Chair/Vice Chair of Board)
 - Perform In Depth Analysis, Complete with Current State Challenges + Resolutions w/ Timelines, and Publish Findings + Rectification Plan Publicly
 - Create High Impact Leadership Roles within WAPA's Org Structure (VP Sustaining Generation + VP Renewable Generation)
 - Install Chief Operating Officer w/ Big Utility and Renewable Energy Experience
 - ✓ **Note:** I am very deliberate in recommending a skilled Chief Operating Officer. This Officer will be strictly focused on the Day to Day Execution of the utility, while the CEO focuses on Strategy, Fund Raising and the Future State of the Utility. We should not expect stellar results if the CEO and the COO are the same people. We can sweeten the deal by offering a President designation to clearly state that the COO is the second in command and CEO in waiting if our CEO needs to change for unforeseen reasons ("hit by bus" scenario).

PROJECT BASED SUCCESS

The way to start gaining the buy in of the people and showing progress is to select Key Projects for rapid implementation. After the Project is up and running, update the people frequently on progress + results. For example, lets pick a few homes to run off of Vehicle To Grid Enabled Trucks/Buses. We would publicly communicate the Electric Bill at the beginning of the program, then track communicate/the reduction in Electric Bill as the program goes along. After showing these results, we have a proven case that we can highlight to our Public and/or Private Partners (Government House, Senate, Federal, Private Investors, etc.) for the purpose of raising the appropriate funds and gaining the support of the people.

WHERE DOES THIS LEAD?

Optimizing the utility will certainly not happen overnight. However, I am a firm believer in multiple small wins which ultimately cascade into major wins. As we are making strides to optimize the utility, I think progress will lead to opportunities for tech careers throughout the territory. We have the opportunity to write the greatest turnaround story of all time, while elevating the Virgin Islands to the Electrification Powerhouse of the Caribbean. Imagine a Virgin Islands that has demonstrated an 80% reduction in rates, while improving overall health of the business. All of a sudden, reliable and cost-effective energy is the norm across the territory. Now we can bring Manufacturing Plants, Data Centers and High Growth Business Incubators back home. Imagine young Virgin Islanders not having to leave home for the



Education and Career necessary in the 22nd century. Our biggest challenge will be entities outside the territory trying to poach them because of their Electrification skills, which are transferable globally. What if the Virgin Islands is the Battery Technology Hub for the Caribbean Basin? Can you imagine the economic prosperity throughout the territory and knock on effects elsewhere? The point is achievement of WAPA 2.0 can finally enable the Virgin Islands to reduce our reliance on tourism, control our own economic destiny and enable more equally distributed prosperity.

- **MANUFACTURING PLANTS – Battery Technology Hub for USVI + Caribbean Basin**
 - Battery Technology Manufacturing Plant (Cells, Modules, Packs)
 - Battery Recycling Plant (Refurbishment, Repurpose, Recycle Cell Phones, Modules, Packs, etc.)
 - Stationary Storage Integration & Deployment Hubs
 - Battery + Charger Aftermarket & Services Technicians
 - Battery Electric Vehicle Retrofit Plant
- **DATA CENTERS – Undersea Data Center Hub for USVI + Caribbean Basin**
 - Undersea Data Centers (Microsoft is Leading Edge In This Application)
 - Sea Level Data Centers (Utilize Cold Water Areas Around Islands to Drive Cooling Technology)
- **BUSINESS INCUBATORS – Creating Generational Prosperity & Wealth for USVI People**
 - Mentoring + Technical Assistance
 - IP Management + Marketing Expertise + Finance/Accounting Services + Networking
 - Shared Operational Costs + Inexpensive Workplace + Seed Funding
 - Renewable Energy Business Plan Competition

In Closing, this letter is meant to be a high-level outline of my thoughts on how we start driving towards reliable and cost-effective energy across the Virgin Islands. You know what they say about details. If approved, I will get to work diving into the current state of affairs (Define Phase), then work with my fellow Board Members and Utility Leadership to chart a path towards reliable and cost effective energy for all Virgin Islanders.

Lionel Selwood

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Founder, Chairman & CEO

DB Squared Holdings

WAPA Board Nominee