

## Value Capture: How to generate revenue and profit

Projected is a 5 year project involving \$1 billion project leading to \$88 trillion of energy in next 20 years. This calculation is based on a 20 year time period, wherein the average penetration into the world energy market is 50%. World energy usage is set at 500 Quads per year, based on the world energy use of 500 Quads for 2010. A Quad approximates the energy of 172 million barrels of oil. No energy usage increases or decreases are factored into this calculation. Fusion Energy Solutions is to collect 10% of the value of the energy produced as royalty on this 50% of world energy usage. The revenues to the company are then tabulated on the average price of energy based on the average price of a standard barrel of oil over this 20 year time period. One Quad equals  $1.0 \times 10^{15}$  BTU. One standard barrel of oil equals  $5.8 \times 10^6$  BTU. Operating expenses of the company are not deducted from these figures.

### REVENUE PROJECTION

Cost of oil \$/barrel	20 year revenue \$ Trillion	20 year revenue per share \$
10	0.862	86,200.00
20	1.724	172,400.00
30	2.586	258,600.00
40	3.448	344,800.00
50	4.310	431,000.00
60	5.170	517,000.00
70	6.034	603,400.00
80	6.896	689,600.00
90	7.758	775,800.00
100	8.862	886,200.00

Our first customer will be the electric generation industry. Our second customer would be the fresh water industry. Our third customer will be the transportation industry: aquatic, land, air, and space. Our fourth customer would be the automobile industry. Our fifth customer would be the petrochemical industry. We stop at five, but there are others such as remediation of solid, liquid, gaseous, and radioactive waste. The economic model that we are using to approach the supply/demand is simple. Fusion Energy Solutions of Hawaii has a working fusion velocity

impact reactor that can create unlimited amounts of clean energy. Through research and proven concept we have found that the amount energy that can be created with our reactor has the highest potential power gain on the market. Our reactors can also be made small enough to fit in a vehicle, producing 30-40 kW. They can be made in a house sized 10 kW unit. No other fusion technology can be downsized to such small units. Of course, they also can be upsized to gigawatt class sized units. We are unique with having the technology to produce fusion reactors over such a large power range. They are elegantly simple and do not have the thermal barrier problems of other approaches.