SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Ocean Thermal Energy Corp

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2017**

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number **033-19411-C**

OCEAN THERMAL ENERGY CORPORATION
(Exact name of registrant as specified in its charter)

Nevada	**20-5081381**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

800 South Queen Street, Lancaster, PA 17603
(Address of principal executive offices, including zip code)

(717) 299-1344
(Registrant's telephone number, including area code)

TetriDyn Solutions, Inc.
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o	Smaller reporting company x
Emerging growth company o	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes o No x

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. **As of November 14, 2017, issuer had 120,274,710 outstanding shares of common stock, par value $0.001.**

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PART I–FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OCEAN THERMAL ENERGY CORPORATION
(FORMERLY KNOWN AS TETRIDYN SOLUTIONS, INC.)
AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

	September 30, 2017 (unaudited)	December 31, 2016
ASSETS		
Current Assets		
Cash	$ 21,438	$ 7,495
Prepaid expenses	1,741	30,549
Total Current Assets	23,179	38,044
Property and Equipment		
Property and equipment, net	1,522	2,366
Assets under construction	919,138	846,285
Property and Equipment, net	920,660	848,651
Total Assets	**$ 943,839**	**$ 886,695**
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
Current Liabilities		
Accounts payables and accrued expense	$ 7,441,617	$ 5,631,270
Due to related party	320,568	36,822
Notes payable - related party, net	2,949,380	1,886,000
Convertible notes payable -related party- net	87,500	–
Notes payable, net	591,350	300,000
Convertible notes payable - net	50,000	49,129
Total Current Liabilities	11,440,415	7,903,221
Notes payable - related party, net	50,000	1,045,644
Notes payable, net	158,334	602,067
Notes payable, convertible	80,000	–
Total Liabilities	11,728,749	9,550,932
Commitments and Contingencies (See Note 10)		
Stockholders' deficiency		
Preferred Stock, $0.001 par value; 5,000,000 shares authorized, 0 and 0 shares issued and outstanding, respectively	–	–
Common stock, $0.001 par value; 200,000,000 shares authorized, 118,190,179 and 94,343,776 shares issued and outstanding, respectively	118,191	94,344
Additional paid-in capital	52,822,560	44,352,962
Accumulated deficit	(63,725,661)	(53,111,543)
Total Stockholders' Deficiency	(10,784,910)	(8,664,237)
Total Liabilities and Stockholders' Deficiency	**$ 943,839**	**$ 886,695**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

OCEAN THERMAL ENERGY CORPORATION
(FORMERLY KNOWN AS TETRIDYN SOLUTIONS, INC.)
AND SUBSIDIARIES

Condensed Consolidated Statements of Operations
(Unaudited)

	For the three months ended September 30, 2017	For the three months ended September 30, 2016	For the nine months ended September 30, 2017	For the nine months ended September 30, 2016
Operating Expenses				
Salaries and wages	$ 768,226	$ 280,929	$ 1,322,053	$ 905,708
Professional fees	416,484	756,363	920,257	1,218,041
General and administrative	98,519	123,700	351,474	345,971
Warrant Expense	–	–	6,769,562	–
Total Operating Expenses	1,283,229	1,160,992	9,363,346	2,469,720
Loss from Operations	(1,283,229)	(1,160,992)	(9,363,346)	(2,469,720)
Other Expenses				
Interest Expense and amortization of debt discount	(239,392)	(1,820,835)	(522,486)	(2,527,115)
Interest Income	8	–	42	–
Loss on settlement of debt	(728,328)		(728,328)	
Total Other expense	(967,712)	(1,820,835)	(1,250,772)	(2,527,115)
Loss Before Income Taxes	(2,250,941)	**(2,981,827)**	(10,614,118)	(4,996,835)
Provision for Income Taxes	–	–	–	–
Net Loss	**$ (2,250,941)**	**$ (2,981,827)**	**$ (10,614,118)**	**$ (4,996,835)**
Net Loss per Common Share				
Basic and Diluted	**$ (0.02)**	**$ (0.04)**	**$ (0.10)**	**$ (0.06)**
Weighted Average Number of Common Shares Outstanding	**114,366,529**	**84,993,246**	**109,857,231**	**83,236,245**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

OCEAN THERMAL ENERGY CORPORATION
(FORMERLY KNOWN AS TETRIDYN SOLUTIONS, INC.)
AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For Nine Month Ended September 30, 2017	2016
Cash Flows From Operating Activities:		
Net loss	$ (10,614,118)	$ (4,996,835)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	844	3,632
Stock issued for services	380,683	948,200
Loss on settlement of debt	728,328	412,374
Warrant Expense	6,769,562	–
Amortization of debt discounts	44,960	1,642,462
Changes in assets and liabilities:		
Other current assets	–	24,542
Prepaid expenses	28,808	(18,632)
Accounts payable and accrued expenses	1,574,149	523,564
Net Cash Used In Operating Activities	(1,086,784)	(1,460,693)
Cash Flow From Investing Activities:		
Cash acquired in acquisition	4,512	–
Assets under construction	(72,853)	(104,326)
Payments for acquisition	(49,773)	–
Net Cash Used In Investing Activities	(118,114)	(104,326)
Cash Flows From Financing Activities:		
Repayment of notes payable - related party	(25,000)	(5,000)
Proceeds from due to related party, net of repayment	281,746	–
Proceeds from notes payable, convertible	80,000	–
Proceeds from issuance of common stock for cash	45,000	926,750
Proceeds from notes payable - related party	200,000	999,025
Stock repurchased from related parties	(111,440)	–
Stock issued for exercise of warrants for cash	748,535	–
Repayment of capital lease	–	(2,530)
Net Cash Provided by Financing Activities	1,218,841	1,918,245
Net increase in cash and cash equivalents	13,943	353,226
Cash and cash equivalents at beginning of year	7,495	125,029
Cash and Cash Equivalents at End of Period	$ 21,438	$ 478,255
Supplemental disclosure of cash flow information		
Cash paid for interest expense	$ 18,012	$ 43,253
Cash paid for income taxes	$ –	$ –
Supplemental disclosure of non-cash investing and financing activities:		
Convertible note payable and accrued interest -related party converted to common stock	$ 81,342	$ –
Accrued interest on related-party note converted to common stock	$ –	$ 171,823
Exercise of warrants in lieu of repayment of related-party note payable	$ –	$ 2,000,000
Debt discount on related-party note payable and extension of warrants	$ –	$ 1,008,610
Note Payable and accrued interest converted into common stock	$ 653,230	$ –
Note Payable and accrued interest - related party converted into common stock	$ 826,231	$ –

On May 9, 2017, the company issued 536,490 shares of common stock to the former shareholders of TetriDyn Solutions Inc. for the assumption of $617,032 of accrued expenses and $1,015,506 of convertible notes and notes payable from related and unrelated parties. The company recorded a debit of $1,628,026 to the additional paid in capital.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Notes to Condensed Consolidated September 30, 2017 Financial Statements
(Unaudited)

Note 1: Source of Business and Basis of Presentation

Ocean Thermal Energy Corporation ("Ocean Thermal", the "Company", "we", and "us") is currently in the business of designing Ocean Thermal Energy Conversion ("OTEC") power plants and Seawater Air Conditioning ("SWAC") plants for large commercial properties, utilities and municipalities. These technologies provide practical solutions to mankind's three oldest and most fundamental needs: clean drinking water, plentiful food, and sustainable, affordable energy without the use of fossil fuels. OTEC is a clean technology that continuously extracts energy from the temperature difference between warm surface ocean water and cold deep seawater. In addition to producing electricity, some of the seawater running through an OTEC plant can be efficiently desalinated using the power generated by the OTEC technology, producing thousands of cubic meters of fresh water every day for the communities served by its plants for use in agriculture and human consumption. This cold deep nutrient-rich water can also be used to cool buildings (SWAC) and for fish farming/ aquaculture. In short, it's a technology with many benefits, and its versatility makes OTEC unique.

The Company previously operated under the corporate name of TetriDyn Solutions, Inc. ("TetriDyn"). On March 10, 2017, TetriDyn entered into an Agreement and Plan of Merger (the "Merger Agreement") with Ocean Thermal Energy Corporation, a Delaware corporation ("OTE"). On May 9, 2017, TetriDyn consummated the acquisition of all outstanding equity interests of OTE pursuant to the terms of the Merger Agreement, with a newly-created Delaware corporation that is wholly-owned by TetriDyn ("TetriDyn Merger Sub"), merging with and into OTE (the "Merger") and OTE continuing as the surviving corporation and a wholly-owned subsidiary of TetriDyn. Effective upon the consummation of the Merger (the "Closing"), the OTE Stock issued and outstanding or existing immediately prior to the Closing of the Merger was converted at the Closing into the right to receive newly issued shares of TetriDyn common stock. As a result of the Merger, TetriDyn succeeded to the business and operations of OTE. In connection with the consummation of the Merger and upon the consent of the holders of a majority of the outstanding common shares, TetriDyn filed with the Nevada Secretary of State an amendment to its articles of incorporation changing its name to "Ocean Thermal Energy Corporation".

On April 13, 2017, the Company filed a Schedule 14C Information Statement with the Securities and Exchange Commission (the "Commission") to notify stockholders that the following actions were approved without a meeting of the stockholders:

- An amendment to our Articles of Incorporation, as amended, to effect a change in the Company's name from TetriDyn Solutions, Inc. to Ocean Thermal Energy Corporation;

- An amendment to our Articles of Incorporation, as amended, to effect and authorize 5,000,000 shares of preferred stock and 200,000,000 shares of common stock; and

- An amendment to our Articles of Incorporation, as amended, to effect a forward stock split of the issued and outstanding shares of common stock of the Company on an approximately 2.1676-for-1 basis.

On May 25, 2017, the Company received approval from the Financial Industry Regulatory Authority ("FINRA") to change the trading symbol for the Company's common stock to "CPWR" from "TDYS." The Company's common stock began formally trading under the symbol "CPWR" on June 21, 2017.

For accounting purposes, this transaction is being accounted for as a merger of entities under common control and has been treated as a recapitalization of Tetridyn Solutions, Inc. with Ocean Thermal Energy Corporation. as the accounting acquirer. The historical financial statements of the accounting acquirer became the financial statements of the Company. The Company did not recognize goodwill or any intangible assets in connection with the transaction. The 110,273,767 shares issued to the shareholder of OTE in conjunction with the share exchange transaction has been presented as outstanding for all periods. The historical financial statements include the operations of the accounting acquirer for all periods presented and the accounting acquiree for the period from May 9, 2017 through September 30, 2017. The Company's accounting year end is December 31, which was the year end of Ocean Thermal Energy Corporation.

The condensed consolidated financial statements include the accounts of the Company and our wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. In the opinion of management, our financial statements reflect all adjustments that are of a normal recurring nature necessary for presentation of financial statements for interim periods in accordance with U.S. generally accepted accounting principles (GAAP) and with the instructions to Form 10-Q in Article 10 of SEC Regulation S-X. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

We condensed or omitted certain information and footnote disclosures normally included in our annual audited financial statements, which we prepared in accordance with GAAP. The operating results for the three and nine months ended September 30, 2017 are not necessarily indicative of the results to be expected for the year. Our interim financial statements should be read in conjunction with our Audit Report and the 8-K filing on July 19, 2017.

Note 2: Going Concern

The accompanying unaudited condensed consolidated financial statements have been prepared on the assumption that we will continue as a going concern. As reflected in the accompanying condensed consolidated financial statements, we had a net loss of $10,614,118 and used $1,086,784 of cash in operating activities for the nine months ended September 30, 2017. We had a working capital deficiency of $11,417,236 and a stockholders' deficiency of $10,784,910 as of September 30, 2017. These factors raise substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent on our ability to increase sales and obtain external funding for our project development. The financial statements do not include any adjustments that may result from the outcome of this uncertainty.

Note 3: Income Taxes

No income tax expense was recognized for the nine-month periods ended September 30, 2017 and 2016, due to net losses being incurred in these periods. We are subject to audit by the Internal Revenue Service, various states, and foreign jurisdictions for the prior three years. There has not been a change in our unrecognized tax positions since December 31, 2016, and we do not believe there will be any material changes in our unrecognized tax positions over the next 12 months. Our policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. We do not have any accrued interest or penalties associated with any unrecognized tax benefits, and no interest expense related to unrecognized tax benefits was recognized during the nine months ended September 30, 2017.

The Company's ability to use its NOL carryforwards may be substantially limited due to ownership change limitations that may have occurred or that could occur in the future, as required by Section 382 of the Internal Revenue Code of 1986, as amended (the Code), as well as similar state provisions. These ownership changes may limit the amount of NOL that can be utilized annually to offset future taxable income and tax, respectively. In general, an "ownership change" as defined by Section 382 of the Code results from a transaction or series of transactions over a three-year period resulting in an ownership change of more than 50.0% of the outstanding stock of a company by certain stockholders or public groups.

The Company has not completed a study to assess whether an ownership change has occurred or whether there have been multiple ownership changes since the Company became a "loss corporation" under the definition of Section 382. If the Company has experienced an ownership change, utilization of the NOL carryforwards would be subject to an annual limitation under Section 382 of the Code, which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term, tax-exempt rate, and then could be subject to additional adjustments, as required. Any limitation may result in expiration of a portion of the NOL carryforwards before utilization. Further, until a study is completed and any limitation known, no positions related to limitations are being considered as an uncertain tax position or disclosed as an unrecognized tax benefit. Any carryforwards that expire prior to utilization as a result of such limitations will be removed from deferred tax assets with a corresponding reduction of the valuation allowance. Due to the existence of the valuation allowance, it is not expected that any possible limitation will have an impact on the results of operations or financial position of the Company.

Note 4: Fair Value of Financial Instruments

The accounting standard for fair value measurements provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. Fair value is defined as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The accounting standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required as well as the assets and liabilities that we value using those levels of inputs.

- *Level 1*: Unadjusted quoted prices in active markets for identical assets and liabilities.
- *Level 2*: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.
- *Level 3*: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

A review of fair value hierarchy classifications is conducted on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities. We did not have any significant nonfinancial assets or nonfinancial liabilities that would be recognized or disclosed at fair value on a recurring basis as of September 30, 2017, nor did we have any assets or liabilities measured at fair value on a nonrecurring basis to report in the first nine months of 2017.

Note 5: Net Loss per Common Share

Basic earnings per share are computed by dividing the net income (loss) applicable to common shares by the weighted average number of common shares outstanding. We recorded a net loss for the nine-month periods ended September 30, 2017 and 2016, so there are no diluted earnings per share calculated for those periods. Basic and diluted earnings per share were the same for all periods presented.

We had 0 and 16,112,210 shares issuable upon the exercise of warrants and options and 7,576,778 and 205,667 shares issuable upon the conversion of green energy bonds and convertible notes payable that were not included in the computation of dilutive loss per share because their inclusion is antidilutive for the interim periods ended September 30, 2017 and 2016, respectively.

Note 6: Recent Accounting Pronouncements

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments.* Historically, there has been a diversity in practice in how certain cash receipts/payments are presented and classified in the statement of cash flows under Topic 230. The purpose of the Update is to reduce the existing diversity in practice by clarifying the presentation of certain types of transactions. The amendments in this Update are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company notes that this guidance applies to its reporting requirements and will implement the new guidance accordingly.

We have reviewed all recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on our consolidated results of operations, financial position, and cash flows. Based on that review, we believe that none of these pronouncements will have a significant effect on current or future earnings or operations.

Note 7: Business Segments

We conduct operations in various foreign jurisdictions that use our technology. Our segments are based on the location of their operations. The U.S. territories segment consists of operations in the U.S. Virgin Islands and Guam; the Bahamas segment consists of operations specific to the Bahamas; and the other segment currently consists of operations in the Cayman Islands. Direct revenues and costs, depreciation, depletion, and amortization costs, general and administrative costs ("G&A"), and other income directly associated with their respective segments are detailed within the following discussion. Identifiable net property and equipment are reported by business segment for management reporting and reportable business segment disclosure purposes. Current assets, other assets, current liabilities, and long-term debt are not allocated to business segments for management reporting or business segment disclosure purposes.

Reportable business segment information for the nine months ended September 30, 2017, and September 30, 2016, is as follows:

September 30, 2017

	Headquarters	US Territories	Bahamas	Other	Total
Revenue	$ –	$ –	$ –	$ –	$ –
Assets	24,701	870,140		48,998	949,138
Net loss	(10,614,118)	–	–	–	(10,614,118)
Property and equipment	1,522	–	–	–	1,522
Assets under construction	–	870,140		48,998	919,138
Depreciation	844	–	–	–	844
Additions to assets under construction	–	72,853	–	–	72,853

September 30, 2016					
	Headquarters	US Territories	Bahamas	Other	Total
Revenue	$ –	$ –	$ –	$ –	$ –
Assets	539,051	755,064	271,111	48,998	1,614,224
Net loss	(4,966,835)	–	–	–	(4,966,835)
Property and equipment	2,941	–	–	–	2,941
Assets under construction	–	755,064	271,111	48,998	1,075,173
Depreciation	3,632	–	–	–	3,632
Additions to assets under construction	–	77,500	26,826	–	104,326

Note 8: Convertible notes and notes payable

On December 12, 2006, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "EDA -#180" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $14,974. The interest rate is 6.25% and the maturity date was January 5, 2013. The loan principal was $13,811 with accrued interest of $42 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "EDA - #273" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $94,480. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $94,480 with accrued interest of $21,678 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "MICRO I - #274" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $23,619. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $23,619 with accrued interest of $4,728 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "MICRO II - #275" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $23,619. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $23,619 with accrued interest of $6,030 as of September 30, 2017. This note is in default

On December 1, 2007, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Eastern Idaho Development Corporation, This is referred as the "EIDC " loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $85,821. The interest rate is 7% and the maturity date was September 1, 2015. The loan principal was $85,821 with accrued interest of $31,788 as of September 30, 2017. This note is in default

On September 25, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Pocatello Development Authority. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $50,000. The interest rate is 5% and the maturity date was October 25, 2011. The loan principal was $50,000 with accrued interest of $17,567 as of September 30, 2017. This note is in default

On March 12, 2015, the Company exchanged convertible notes issued in 2010, 2011, and 2012, payable to its officers and directors in the aggregate principal amount of $320,246, plus accrued but unpaid interest of $74,134, into a single, $394,380 consolidated convertible note (the "Consolidated Note"). The Consolidated Note was assigned to JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer. The Consolidated Note was convertible to common stock at $0.025 per share, the approximate market price of the Company's common stock as of the date of the issuance. On February 24, 2017 the Company completed an amendment with JPF to eliminate the conversion feature of the Consolidated Note. The Consolidated Note bears interest at 6% per annum and is due and payable within 90 days after demand. As of September 30, 2017, accrued but unpaid interest on the Consolidated Note was $64,714.

On March 12, 2015, the Company assigned the liabilities for unpaid salaries of two of its former officers in the amount of $213,436 to JPF. The assignment was evidenced by a consolidated promissory note dated December 31, 2014. The note does not bear any interest. On December 31, 2016, the $213,436 was reclassified to accrued expenses.

On June 23, 2015, the Company borrowed $50,000 from JPF pursuant to a promissory note. The Company received $25,000 on July 31, 2015, and the remaining $25,000 on August 18, 2015. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of the Company's common stock. On September 8, 2017, JPF elected to convert $50,000 of notes payable and accrued interest of $6,342 into 3,612,596 and 458,198 shares of common stock, respectively.

On November 23, 2015, the Company borrowed $50,000 from JPF pursuant to a promissory note. The Company received $37,500 before December 31, 2015, and the remaining $12,500 was received after the year-end. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of the Company's common stock at the rate of one share each for $0.03 of principal amount of the note. As of September 30, 2017, the outstanding balance was $50,000, plus accrued interest of $5,282.

On February 25, 2016, the Company borrowed $50,000 from JPF pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. On February 24, 2017 the Company completed an amendment with JPF to eliminate the conversion feature of the note. As of September 30, 2017, the outstanding balance was $50,000, plus accrued interest of $4,870.

On May 20, 2016, the Company borrowed $50,000 from JPF pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) the payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. On February 24, 2017 the Company completed an amendment with JPF to eliminate the conversion feature of the note. As of September 30, 2017, the outstanding balance was $50,000, plus accrued interest of $4,022.

On October 20, 2016, the Company borrowed $12,500 from JPF pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) the payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. On February 24, 2017 the Company completed an amendment with JPF to eliminate the conversion feature of the note. As of September 30, 2017, the outstanding balance was $12,500, plus accrued interest of $736

On October 20, 2016, the Company borrowed $12,500 from an independent director pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) the payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. As of September 30, 2017, the outstanding balance was $12,500, plus accrued interest of $802

On October 20, 2016, the Company borrowed $25,000 from a stockholder pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) the payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. As of June 5, 2017 the note holder converted the note principal of $25,000 into 1,806,298 shares common stock. As of September 30, 2017, there was an outstanding balance of accrued interest of $904.

On December 21, 2016, the Company borrowed $25,000 from JPF pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable 90 days after demand; and (iii) the payee is authorized to convert part or all of the note balance and accrued interest, if any, into shares of our common stock at the rate of one share for each $0.03 of principal amount of the note. This conversion price is not required to adjust for the reverse stock split as per the note agreement. As of September 30, 2017, the outstanding balance was $25,000, plus accrued interest of $1,179.

During 2012, we issued a note payable for $1,000,000 and three-year warrants to purchase 3,295,761 shares of common stock with an exercise price of $0.50 per share. The note had an interest rate of 10% per annum, was secured by a first lien in all of our assets and was due on February 3, 2015. We determined the warrants had a fair value of $378,500 based on the Black-Scholes option-pricing model. The fair value was recorded as a discount on the note payable and was being amortized over the life of the note. We repriced the warrants during 2013 and took an additional charge to earnings of $1,269,380 related to the repricing. The warrants were exercised upon the repricing. On February 16, 2017, the note holder agreed to amend the note to extend the due date of the note to February 3, 2018. As of September 30, 2017, the outstanding balance was $1,000,000, plus accrued interest of $510,004.

During 2013, we issued Series B units. Each unit is comprised of a note agreement, a $50,000 promissory note that matures on September 30, 2023, and bears interest at 10% per annum payable annually in arrears, a security agreement, and a warrant to purchase 10,000 shares of common stock at an exercise price to be determined pursuant to a specified formula. During 2013, we issued $525,000 of 10% promissory notes and warrants to purchase 105,000 shares of common stock. The warrants have an expiration date of September 30, 2023. We determined the warrants had a fair value of $60,068 based on the Black-Scholes option-pricing model. As part of our agreement with the Memphis Investors, the Board repriced the warrants to $0.00 and exercised the warrants and issued shares of common stock. On December 31, 2016, the accrued interest was $168,934. During 2015, one of the original note holders transferred its ownership of the note in the amount of $50,000 to Jeremy P. Feakins & Associates LLC through the JPF Venture Fund 1, LP. On August 15, 2017, loans in the amount of $316,666 and accrued interest of $120,898 were converted to 437,564 shares at $1.00 per share, which was ratified by the Board of Directors. The shares were recorded at fair value of $1,165,892. The Company recorded a loss on settlement of debt of $728,328 on conversion date. As of September 30, 2017, the loan balance was $208,334 and the accrued interest was $80,583.

During the third quarter of 2017, the Company launched a $2,000,000 convertible promissory note private placement offering. The terms of the note are as follows: (i) interest is payable at 6% per annum; (ii) the note is payable two years after purchase; (iii) and all principal and interest on each Note shall automatically convert on the Conversion Maturity Date into shares of the Company’s common stock at a conversion price of $4.00 per share, as long as the closing share price of the Company’s common stock on the trading day immediately preceding the Conversion Maturity Date is at least $4.00, as adjusted for stock splits, stock dividends, reclassification, and the like. If the price of the Company’s shares on such date is less than $4.00 per share, the Note (principal and interest) will be repaid in full. As of September 30, 2017, the outstanding balance for all four loans was $80,000, plus accrued interest of $976.

During 2013, we paid cash of $10,000 and issued a note payable for $290,000 in connection with the reverse merger transaction. We repurchased and retired 7,546,464 shares of common stock simultaneously with the closing of the merger with Broad Band Network Associates. The note is unsecured and due the earlier of December 31, 2015, or upon our receiving $50,000 of proceeds from the exercise of the Class A warrants, $50,000 from the exercise of the Class B warrants, $60,000 from the exercise of the Class C warrants, $60,000 from the exercise of Class D warrants, and $70,000 from the exercise of the Class E warrants. During 2014, we paid $100,000 and during 2015, we paid $60,000, leaving a balance of $130,000. Accrued interest totaled $37,655 at September 30, 2017 and $29,769 at December 31, 2016. We have determined that no further payment of principal or interest on this note should be made because the note holder failed to perform his underlying obligations giving rise to this note. As such, we are confident that if the not holder were to seek legal redress, a court would decide in our favor by either voiding the note or awarding damages sufficient to offset the note value.

During 2014, we issued a note payable for $2,265,000 and warrants to purchase 12,912,500 shares of common stock, with an exercise price equal to the greater of a 50% discount of the stock price when our shares are listed on a public exchange or $0.425 per share, to an entity owned by our chief executive officer, together our principal stockholders. The warrants expire one year after our shares are listed on a recognized public exchange. The unsecured note has an interest rate of 10% per annum and the balance was due on January 31, 2015. We determined the warrants had a fair value of $2,265,000 based on the Black-Scholes option-pricing model. The fair value was recorded as a discount on the note payable and is being amortized over the life of the note. As part of our agreement with the Memphis Investors, the Board repriced the warrants to $0.00 and exercised the warrants and issued shares of common stock. As of December 31, 2015, principal of $152,500 has been repaid and principal of $351,500 has been converted into 468,667 shares of common stock, leaving a note balance of $1,761,000. During 2016, a principal payment of $5,000 was made leaving a note balance of $1,756,000 at December 31, 2016. On December 31, 2016, the accrued interest was $453,093. On February 16, 2017, the note holder agreed to extend the due date for the repayment of the loan and interest to the earlier of December 31, 2017, or the date of the financial closings of its Baha Mar Project (or any other project of $25 million or more), whichever occurs first. On August 15, 2017, loans in the amount of $618,500 and accrued interest of $207,731 were converted to 826,231 shares at $1.00 per share, which was ratified by the Board of Directors. The conversion was recorded at historical cost due to the related party nature of the transaction. As of September 30, 2017, the loan balance was $1,137,500 and the accrued interest was $370,622.

During 2014, we issued Secured Convertible Promissory Notes (Bonds) totaling $166,800 through September 30, 2014. The bonds carry an interest rate ranging from 7.86% to 9.86% and mature on April 30, 2019 and December 31, 2019. In addition, the bondholders are entitled to convert each $1,200 bond into 1,000 shares of common stock at a price of $1.20 per share. Should our shares trade for 10 consecutive days at $1.80 per share or higher. On August 15, 2017, bonds in the amount of $166,800 and accrued interest of $48,866 were converted to 179,722 shares of common stock at $1.20 per share.

During 2014, we issued a note payable of $100,000 to a related party and $200,000 to a third party, for a total of $300,000, and warrants to purchase 300,000 shares of common stock with an exercise price of $1.00 per share. As part of our agreement with the Memphis Investors, the Board repriced the warrants to $0.00 and exercised the warrants and issued shares of common stock. These unsecured notes have an interest rate of 12% per annum. The $100,000 note with a related party is due the earlier of December 26, 2015; the completion by us of an equity financing resulting in our receipt of gross proceeds of at least $2,000,000; or the financial close of the Baha Mar project and release of funds by the bank. The balance on the $200,000 note is due the earlier of March 31, 2015; the completion by us of an equity financing resulting in our receipt of gross proceeds of at least $2,000,000; or the financial close of the Baha Mar project and release of project financing funds by the bank. As of December 31, 2016, the notes are in default. Due to the delay in opening of the Baha Mar Resort, our Baha Mar SWAC Project's financial closing was delayed causing us to default on the notes. We have accrued the interest at a default rate of 22%. We intend to repay the notes and accrued interest upon the project's financial closing. Accrued interest totaled $163,262 as of September 30, 2017 and $113,119 as of December 31, 2016.

On April 7, 2015, we issued an unsecured convertible promissory note in the principal amount of $50,000 to an unrelated party. The note bears interest of 10% and is due on April 17, 2017. On April 6, 2017, the note holder agreed to extend the maturity date to April 7, 2018. The note and accrued interest can be converted into our common stock at a conversion rate of $0.75 per share at any time prior to the repayment. We recorded a debt discount of $6,667 for the fair value of the beneficial conversion feature. During the nine months ended September 30, 2017, we amortized $871 of debt discount. Accrued interest totaled $12,570 as of September 30, 2017 and $10,159 as of December 31, 2016.

On March 9, 2017, an entity owned by our chief executive officer is an officer and director, agreed to provide up to $200,000 in working capital. The note bears interest of 10% and is due and payable with 90 days of demand. On September 30, 2017, the balance of the loan outstanding was $175,000 and the accrued interest as of that date was $10,382.

The following convertible note and notes payable were outstanding at September 30, 2017:

							Related Party		Non Related Party	
Date of Issuance	**Maturity Date**	**Interest Rate**	**Original Principal**	**Principal at September 30, 2017**	**Discount at September, 2017**	**Carrying Amount at September 30, 2017**	**Current**	**Long-Term**	**Current**	**Long-Term**
12/12/2006	1/5/2013	6.25%	58,670	13,811	–	13,811	–	–	13,811	–
12/1/2007	9/1/2015	7.00%	125,000	85,821	–	85,821	–	–	85,821	–
9/25/2009	10/25/2011	5.00%	50,000	50,000	–	50,000	–	–	50,000	–
12/23/2009	12/23/2014	7.00%	100,000	94,480	–	94,480	–	–	94,480	–
12/23/2009	12/23/2014	7.00%	25,000	23,619	–	23,619	–	–	23,619	–
12/23/2009	12/23/2014	7.00%	25,000	23,619	–	23,619	–	–	23,619	–
2/3/2012	02/03/18	10.00%	1,000,000	1,000,000	–	1,000,000	1,000,000		–	–
8/15/2013	10/31/23	10.00%	525,000	208,334	–	208,334	–	50,000	–	158,334
12/31/2013	12/31/15	8.00%	290,000	130,000	–	130,000	130,000	–	–	–
4/1/2014	12/31/17	10.00%	2,265,000	1,137,500	–	1,137,500	1,137,500	–	–	–
12/22/2014	03/31/15	12.00%	200,000	200,000	–	200,000	–	–	200,000	–
12/26/2014	12/26/15	12.00%	100,000	100,000	–	100,000	–	–	100,000	–
3/12/2015	90 days after demand	6.00%	394,380	394,380	–	394,380	394,380	–	–	–
4/7/2015	04/17/18	10.00%	50,000	50,000	–	50,000	–	–	50,000	–
11/23/2015	90 days after demand	6.00%	50,000	50,000	–	50,000	50,000	–	–	–
2/25/2016	90 days after demand	6.00%	50,000	50,000	–	50,000	50,000	–	–	–
5/20/2016	90 days after demand	6.00%	50,000	50,000	–	50,000	50,000	–	–	–
10/20/2016	90 days after demand	6.00%	50,000	12,500	–	12,500	12,500	–	–	–
10/20/2016	90 days after demand	6.00%	12,500	12,500	–	12,500	12,500	–	–	–
12/21/2016	90 days after demand	6.00%	25,000	25,000	–	25,000	25,000	–	–	–
3/9/2017	90 days after demand	10.00%	200,000	175,000	–	175,000	175,000	–	–	–
Various	1 year from date of issue	6.00%	80,000	80,000	–	80,000	–	–	–	80,000
	Totals			**$ 3,966,564**	**$ 0**	**$ 3,966,564**	**$ 3,036,880**	**$ 50,000**	**$ 641,350**	**$ 238,334**

The following convertible note and notes payable were outstanding at December 31, 2016:

							Related Party		Non Related Party	
Date of Issuance	**Maturity Date**	**Interest Rate**	**Original Principal**	**Principal at December 31, 2016**	**Discount at December 31, 2016**	**Carrying Amount at December 31, 2016**	**Current**	**Long-Term**	**Current**	**Long-Term**
02/03/12	02/03/18	10.00%	1,000,000	1,000,000	–	1,000,000	–	1,000,000	–	–
08/15/13	10/31/23	10.00%	525,000	525,000	44,089	480,911	–	45,644	–	435,267
12/31/13	12/31/15	8.00%	290,000	130,000	–	130,000	130,000	–	–	–
04/16/14	04/30/19	9.86%	6,000	6,000	–	6,000	–	–	–	6,000
05/09/14	04/30/19	9.86%	50,400	50,400	–	50,400	–	–	–	50,400
05/28/14	04/30/19	9.86%	25,200	25,200	–	25,200	–	–	–	25,200
04/01/14	12/31/17	10.00%	2,265,000	1,756,000	–	1,756,000	1,756,000	–	–	–
07/21/14	12/31/19	9.86%	78,000	78,000	–	78,000	–	–	–	78,000
08/18/14	12/31/19	7.86%	7,200	7,200	–	7,200	–	–	–	7,200
12/22/14	03/31/15	12.00%	200,000	200,000	–	200,000	–	–	200,000	–
12/26/14	12/26/15	12.00%	100,000	100,000	–	100,000	–	–	100,000	–
04/09/15	04/09/17	10.00%	50,000	50,000	871	49,129			49,129	–
	Total			**$ 3,927,800**	**$ 44,960**	**$ 3,882,840**	**$ 1,886,000**	**$ 1,045,644**	**$ 349,129**	**$ 602,067**

Note 9: Stockholders' Equity

Common Stock

For the nine months ended September 30, 2017, individuals exercised Series D warrants to purchase 998,079 shares of common stock at a price of $0.75 per share for cash totaling $748,535. These warrants were related to BBNA merger.

For the nine months ended September 30, 2017, we issued 337,998 shares of common stock for services performed with a fair value of $380,683.

For the nine months ended September 30, 2017, we issued 11,250 shares of common stock pursuant to our Private Placement Memorandum with a fair value of $45,000 ($4.00 per share).

As part of the reverse merger on May 9, 2017, 94,343,776 shares of common stock were issued to the shareholders of OTE in exchange for common stock in the merged company.

As a part of our agreement with the Memphis Investors, the Board re-priced 14,692,500 warrants and 100,000 options to $0.00 and exercised the warrants and options and issued 14,792,500 shares of common stock. These warrants had a fair value of $6,769,562. Per ASC Topic 718, this exchange is treated as a modification. The incremental value of $6,769,562 measured as the excess of the fair value of the modified award over the fair value of the original award immediately before the modification using the Black-Scholes option pricing model was expensed fully when they were exercised.

We used the following assumptions for warrants and options on February 1, 2017:

Expected volatility:	77%
Expected lives:	Various (30 days – 7 years)
Risk-free interest rate:	Various (0.50%-2.27%)
Expected dividend yield:	None

On May 8, 2017, JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer transferred 148,588 shares of common stock for $111,440 to the Company to fulfill an over commitment of "D" warrants.

On May 9, 2017, the company issued 534,555 shares of common stock to the former shareholders of TetriDyn Solutions, Inc. for the assumption of $617,032 of accrued expenses and $1,015,506 of convertible notes and notes payable from related and unrelated parties. The company recorded a debit of $1,628,026 to the additional paid in capital as part of the recapitalization.

On June 5, 2017, a note holder elected to convert a $25,000 convertible note payable for 1,806,298 shares of common stock ($0.014 per share).

On August 15, 2017, Series B note holders elected to convert $316,666 in notes payable for 316,666 shares of common stock at a conversion rate of $1.00. In addition, they converted accrued interest in the amount of $120,898 for 120,898 shares of common stock. The shares were recorded at fair value of $1,165,892. The Company recorded a loss on the settlement of debt of $728,328 on the conversion date.

On August 15, 2017, Clean Energy note holders elected to convert $166,800 in notes payable for 139,000 shares of common stock at a conversion rate of $1.20. In addition, they converted accrued interest in the amount of $48,866 for 40,722 shares of common stock.

On August 15, 2017, Jeremy P. Feakins & Associates, LLC, an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer, elected to convert $618,500 in notes payable for 618,500 shares of common stock at a conversion rate of $1.00. In addition, they converted accrued interest in the amount of $207,731 for 207,731 shares of common stock.

On September 8, 2017, JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer, elected to convert $50,000 in notes payable for 3,612,596 shares of common stock at a conversion rate of $0.014. In addition, they converted accrued interest in the amount of $6,342 for 458,198 shares of common stock.

Warrants and Options

The following table summarizes all warrants outstanding and exercisable for the nine-month period ended September 30, 2017:

Warrants	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2016	15,912,210	$0.76
Granted	–	$0.00
Exercised	(998,079)	$0.75
Exercised (re-priced to $0.00)	(14,692,500)	$0.00
Forfeited	(221,631)	
Balance at September 30, 2017	–	

The following table summarizes all options outstanding and exercisable for the nine-month period ended September 30, 2017:

Options	Number of Options	Weighted Average Exercise Price
Balance at December 31, 2016	100,000	$0.75
Exercised	(100,000)	$0.75
Balance at September 30, 2017	–	

Note 10: Commitments and Contingencies

Litigation

From time to time, we are involved in legal proceedings and regulatory proceedings arising from operations. We establish reserves for specific liabilities in connection with legal actions that management deems to be probable and estimable.

In late 2016, we entered into a binding agreement with an investor group from Memphis, Tennessee to invest a substantial amount of capital into our company (the "Memphis Investors"). As part of the agreement, we were restricted from making changes to our capital structure and, consequently, suffered significant financial damages when the investors did not honor their commitment and defaulted on the agreement. On May 16, 2017, we filed a civil suit in the United States District Court in the Western District of Tennessee (Case No. 2:17 –cv-02343). Court ordered mediation began on October 26, 2017, in Memphis, TN and is ongoing as of November 8, 2017.

Consulting Agreements

The Company entered into several consulting agreements and agreed to pay the consultants in cash or shares of common stock with terms up to 6 months. As of September 30, 2017, the Company has accrued the cash compensation and share compensation valued at fair value totaling $220,000. The accrued consulting fees will be settled in cash or shares of common stock (see Note 12).

Employment Agreements

On September 15, 2017, the Company and Chief Executive Officer (referred as "Executive) entered into an amended employment agreement. As per amended employment agreement, the Executive shall receive $388,220 annually which was increased from $350,000 effective on June 30, 2017. All amounts due the Executive as of June 30, 2017 totaling $646,190 and thereafter shall bear interest of 8% until paid and a stock bonus of 258,476 shares of common stock is due and payable for deferring his compensation. The term of employment is for a period of ten (10) years commencing on September 30, 2017. This was approved by the Board of Directors on June 29, 2017. As of September 30, 2017, the shares have not been issued and were accrued at fair value of $310,171.

On September 15, 2017, the Company and Senior Financial Advisor (referred as "Advisor") entered into an amended employment agreement. As per amended employment agreement, the Advisor shall receive $232,932 annually which was increased from $210,000 effective on June 30, 2017. All amounts due the Executive as of June 30, 2017 totaling $376,475 and thereafter shall bear interest of 8% until paid and a stock bonus of 150,590 shares of common stock is due and payable for deferring his compensation. The term of employment is for a period of ten (10) years commencing on September 30, 2017. This was approved by the Board of Directors on June 29, 2017. As of September 30, 2017, the shares have not been issued and were accrued at fair value of $180,708.

Note 11: Related-Party Transactions

For the nine months ended September 30, 2017, we paid rent of $65,000 to a company controlled by our chief executive officer under an operating lease agreement.

On February 16, 2017, the due date of the Jeremy P. Feakins & Associates, LLC, an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer note payable in the amount of $2,265,000 issued on January 31, 2015, was extended to December 31, 2017. On August 15, 2017, $618,500 of the note payable was converted into 618,500 shares of common stock. In addition, they converted accrued interest in the amount of $207,731 for 207,731 shares of common stock. The remaining balance on the note payable as of September 30, 2017 is $1,137,500.

On February 16, 2017, the due date of the related party note payable in the amount of $1,000,000 issued on February 3, 2012, was extended to February 3, 2018.

On March 9, 2017, we issued a promissory note payable of $200,000 to a related party in which our chief executive officer is an officer and director. The note bears interest of 10% and is due and payable within 90 days after demand. The balance outstanding on September 30, 2017, is $175,000.

On March 31, 2017, we made a repayment of note payable to a related party in the amount of $25,000.

On May 8, 2017, JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer transferred 148,588 shares of common stock for $111,440 to the Company to fulfill an over commitment of "D" warrants.

On September 8, 2017, JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer, elected to convert $50,000 in notes payable for 3,612,596 shares of common stock at a conversion rate of $0.014. In addition, accrued interest in the amount of $6,342 was converted to 458,198 shares.

During the third quarter of 2017, JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer, advanced the Company $236,000 and on November 6, 2017, the Company entered into an agreement with a promissory note. The terms of the note are as follows: (i) interest is payable at 10% per annum; (ii) all unpaid principal and all accrued and unpaid interest shall be due and payable at the earliest of (a) resolution of the Memphis litigation; (b) June 30, 2018; or (c) when the company is otherwise able to pay. As of September 30, 2017, the outstanding balance was $236,000 with no accrued interest.

On June 5, 2017, a note holder elected to convert a $25,000 convertible note payable for 1,806,298 shares of common stock ($0.014 per share).

As of September 30, 2017, the Company borrowed $84,568, net of repayments from JPF Venture Group, Inc. ("JPF") on a temporary basis. The loan is non-interest bearing, unsecured and due on demand.

Note 12: Subsequent Events

Subsequent to September 30, 2017, the Company received an additional $215,000 from JPF Venture Group, Inc. ("JPF"), an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer pursuant to a promissory note. The terms of the note are as follows: (i) interest is payable at 10% per annum; (ii) all unpaid principal and all accrued and unpaid interest shall be due and payable at the earliest of (a) resolution of the Memphis litigation; (b) June 30, 2018; or (c) when the company is otherwise able to pay (see Note 8).

Subsequent to September 30, 2017, the Company issued 184,202 shares of common stock to consultants for past services (see Note 10).

On August 3, 2017, we entered into a compensation agreement with our former legal counsel wherein we agreed to pay an outstanding legal bill in the amount of $197,950 by issuance of 65,000 shares covered by a Form S-8 Registration Statement filed with the Securities and Exchange Commission (SEC) on August 25,2017. The former legal counsel may, at any time and from time to time following the filing of the Form S-8, elect to call for the issuance of shares as payment for the outstanding legal bill. As the shares are sold into the market, the outstanding balance will be reduced.

On September 28, 2017, the company entered into an agreement with a consultant to enhance shareholder relations. This agreement is effective October 1, 2017, and shall continue for a period of six (6) months. The Consultant shall receive from the Company for the performance of the services rendered to the Company, one million (1,000,000) free trading shares of common stock that were issued through an S-8 filing with the Securities and Exchange Commission (SEC) on October 3, 2017.

On November 8, 2017, Jeremy P. Feakins & Associates, LLC, an investment entity that is majority-owned by Jeremy Feakins, the Company's director, chief executive officer, and chief financial officer, a Series B note holder, elected to convert $50,000 in notes payable for 50,000 shares of common stock at a conversion rate of $1.00. In addition, they converted accrued interest in the amount of $16,263 for 16,263 shares of common stock.

Subsequent to September 30, 2017, the Company issued 258,476 and 150,590 shares of common stock, respectively to the Chief Executive Officer and Senior Financial Advisor pursuant to the amended employment agreements (see Note 10).

Subsequent to September 30, 2017, the Company entered into a settlement agreement for an outstanding balance for past consulting services totaling $180,000 and issued 360,000 shares of common stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the unaudited condensed financial statements and notes to our financial statements included elsewhere in this report. This discussion contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors discussed elsewhere in this report.

Certain information included herein contains statements that may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as statements relating to our anticipated revenues, gross margins and operating results, estimates used in the preparation of our financial statements, future performance and operations, plans for future expansion, capital spending, sources of liquidity, and financing sources. Forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future, and accordingly, such results may differ from those expressed in any forward-looking statements made herein. These risks and uncertainties include those relating to our liquidity requirements; the continued growth of our industry; the success of marketing and sales activity; the dependence on existing management; the availability and cost of substantial amounts of project capital; leverage and debt service (including sensitivity to fluctuations in interest rates); domestic and global economic conditions; the inherent uncertainty and costs of prolonged arbitration or litigation; and changes in federal or state tax laws or the administration of such laws.

Overview

We develop projects for renewable power generation, desalinated water production, and air conditioning using our proprietary technologies designed to extract energy from the temperature differences between warm surface water and cold deep water. In addition, our projects provide ancillary products such as potable/bottle water and high-profit aquaculture, mariculture, and agriculture opportunities.

We currently have no source of revenue, so as we continue to incur costs we are dependent on external funding in order to continue. We cannot assure that such funding will be available or, if available, can be obtained on acceptable or favorable terms.

Our operating expenses consist principally of expenses associated with the development of our projects until we determine that a particular project is feasible. Salaries and wages consist primarily of employee salaries and wages, payroll taxes, and health insurance. Our professional fees are related to consulting, engineering, legal, investor relations, outside accounting, and auditing expenses. General and administrative expenses include travel, insurance, rent, marketing, and miscellaneous office expenses. The interest expense includes interest and discounts related to our loans and notes payable.

Results of Operations

Comparison of Three Months Ended September 30, 2017 and 2016

We had no revenue in the three months ended September 30, 2017 or 2016.

During the three months ended September 30, 2017, we had salaries and wages of $768,226, compared to salaries and wages of $280,929 during the same three-month period for 2016, an increase of 173% and can be attributed to accruing stock bonuses for staff.

During the three months ended September 30, 2017 and 2016, we recorded professional fees of $416,484 and $756,363 respectively, a decrease of 45%. This decrease was due primarily to our decreased use of outside consultants.

General and administrative expenses were $98,519 during the three months ended September 30, 2017 and $123,700 for the same three-month period in 2016. This is a 20% decrease compared to the same three-month period of the previous year as we continue to manage office expenses due to our limited working capital.

Our interest expense was $239,392 for the three months ended September 30, 2017, compared to $1,820,835 for the same period of the previous year. Interest expense for the 2017 period decreased due to the conversion notes payable into common stock and repayment made to the note holders. Also, included in the expense for 2016 was $1,642,462 for the amortization of note payable discounts.

Comparison of Nine Months Ended September 30, 2017 and 2016

We had no revenue in the nine months ended September 30, 2017 or 2016.

During the nine months ended September 30, 2017, we had salaries and wages and professional fees of $1,322,053 and $920,257 respectively, for a total of $2,242,310, as compared to salaries and wages and professional fees of $905,708 and $1,218,041, respectively, for a total of $2,123,749, during the same nine-month period for 2016. This 6% increase as compared to the prior year is due principally to accrued stock bonuses in salaries.

General and administrative expenses of $351,474 during the nine months ended September 30, 2017, as compared to $345,971 during the nine months ended September 30, 2016, is a 2% increase when compared to the same nine-month period of the previous year.

During the nine months ended September 30, 2017, we re-priced 14,692,500 warrants and 100,000 options to $0.00 and exercised the warrants and options and issued 14,792,500 shares of common stock. These warrants had a fair value of $6,769,562, which we recognized as an expense in operations.

The above factors resulted in an operating loss of $9,363,346, during the nine months ended September 30, 2017, as compared to $2,469,720 during the same period of 2016, an increase of $6,893,626, or 279%. Had our expenses not included a write-off of $6,769,562 related to the exercising of warrant and options during the nine months ended September 30, 2017, our loss from operations would have been $2,593,784 for that period as compared to $2,469,720 for the same period in 2016.

Our interest expense of $522,486 for the nine months ended September 30, 2017, as compared to $2,527,115, was decreased by 79% due to reduced amortization of debt discount. In the first nine months of 2016, we expensed $1,642,462 for the amortization of note payable discount.

Liquidity and Capital Resources

At September 30, 2017, our principal source of liquidity consisted of $21,438 of cash, as compared to $7,495 of cash at December 31, 2016. In addition, our stockholders' deficiency was $10,784,910 at September 30, 2017, compared to stockholders' deficit of $8,664,237 at December 31, 2016, an increase in the deficit of $2,120,673. Our operating loss and retained earnings for the nine-month period was impacted greatly by the $6,769,562 warrant expense we incurred when we repriced 14,692,500 warrants and 100,000 options at $0.00.

Our operations used net cash of $1,086,784 during the nine months ended September 30, 2017, as compared to using net cash of $1,460,693 during the nine months ended September 30, 2016. Some of the change was due to a reduction in the amortization of debt discount.

Investing activities for the nine months ended September 30, 2017 and 2016, used cash of $118,114 and $104,326 respectively. Of the amount of cash used, $49,773 reflects the cash paid to TetriDyn Solutions at the time of the merger with Ocean Thermal Energy Corporation. The remaining amount was an increase in our assets under construction.

Financing activities provided cash of $1,218,841 for our operations during the nine months ended September 30, 2017 due to the proceeds we received from issuing common stock and notes payable to a related party.

Our Capital Resources and Anticipated Requirements

As noted above, at September 30, 2017, we had negative working capital (current assets minus current liabilities) of $11,417,236 We are now focusing our efforts on promoting and marketing the OTE technology by developing and executing contracts. We are exploring external funding alternatives, as our current cash is insufficient to fund operations for the next 12 months. Upon the consummation of the merger with TetriDyn Solutions, Inc., which was consummated on May 9, 2017, we will have access to the public markets. In addition, we have launched a $2 million Private Placement Memorandum. If we obtain external funding, we would like to devote the funding to our projects and supporting operations, and related administrative and project sales and development activities, during the next 12 months. We may also want to incur additional costs if we increase the nature and scope of our project development activities due to successful marketing and development efforts, and increased available capital. This increased amount would include funding for the U.S. Virgin Islands project development expenses, such as the environmental impact assessment, bathymetry, and permitting and engineering fees associated with the design of the OTEC plant.

We are advised that the Baha Mar project has been acquired by a new owner that is re-mobilizing to pay or otherwise resolve claims of creditors and move toward funding and re-commencing construction. If and when the resort opens for business, we estimate that we would need about $130.0 million additionally for construction costs associated with completing the construction of that project during the next 18 months. We will need external funding for all of these requirements. As the project proceeds toward completion, we expect to accelerate our efforts to arrange required project financing for our plant. Once the project financing has been arranged and closed, we anticipate receiving a project development fee and reimbursement of approximately $6.0 million. As of today, we have not had any discussions with the new owners and have not entered into discussions regarding the completion of the Baha Mar project.

As in the past, we expect that we will seek external funding from the sale of secured or unsecured convertible promissory notes and the issuance of preferred or common stock. Secured promissory notes would likely be secured by a lien on our assets, particularly including our interest in the Baha Mar project, which would enable the holders of such notes to foreclose or execute on such assets and obtain possession and ownership of the encumbered assets to the exclusion of our shareholders. If we issue preferred stock, the holders of preferred stock would likely seek preferences on dividends and distributions on liquidation over the holders of common stock and other preferences and rights that would be superior to the rights of the holders of our common stock.

Without revenue, we expect that our operating losses will continue during the next 12 months and thereafter until we develop, finance, and construct a project, which will likely be years in the future. We cannot assure that we will be able to obtain sufficient capital from external sources to continue. We may be forced, due to insufficient capital to continue a project, to sell all or a portion of one or more projects under development in an effort to salvage some financial recovery, notwithstanding the fact that we believe the projects long-term potential is greater.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us, in the reports that we file or submit to the SEC under the Exchange Act, is recorded, processed, summarized, and reported within the periods specified by the SEC's rules and forms and that information is accumulated and communicated to our management, including our principal executive and principal financial officer (whom we refer to in this periodic report as our Certifying Officer), as appropriate to allow timely decisions regarding required disclosure. Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our management evaluated, with the participation of our Certifying Officer, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of September 30, 2017, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, our Certifying Officer concluded that, as of September 30, 2017, our disclosure controls and procedures were not effective to provide reasonable assurance as of September 30, 2017, because certain deficiencies involving internal controls constituted material weaknesses, as discussed below.

Limitations on Effectiveness of Controls

A system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the system will meet its objectives. The design of a control system is based, in part, upon the benefits of the control system relative to its costs. Control systems can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. In addition, over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. In addition, the design of any control system is based in part upon assumptions about the likelihood of future events.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control of over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. We have assessed the effectiveness of those internal controls as of September 30, 2017, using the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") Internal Control—Integrated Framework (2013) as a basis for our assessment.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance respecting financial statement preparation and presentation. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

A material weakness in internal controls is a deficiency in internal control, or combination of control deficiencies, that adversely affects our ability to initiate, authorize, record, process, or report external financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a material misstatement of our annual or interim financial statements that is more than inconsequential will not be prevented or detected.

Based on our evaluation of internal control over financial reporting, our management concluded that our internal control over financial reporting was not effective as of September 30, 2017.

General Operating Activities

As of September 30, 2017, management identified the following material weaknesses:

- <u>Control Environment</u>—We did not maintain an effective control environment for internal control over financial reporting.

- <u>Segregation of Duties</u>—As a result of limited resources and staff, we did not maintain proper segregation of incompatible duties. The effect of the lack of segregation of duties potentially affects multiple processes and procedures.

- <u>Entity Level Controls</u>—We failed to maintain certain entity-level controls as defined by the framework issued by COSO. Specifically, our lack of staff does not allow us to effectively maintain a sufficient number of adequately trained personnel necessary to anticipate and identify risks critical to financial reporting. There is a risk that a material misstatement of the financial statements could be caused, or at least not be detected in a timely manner, due to lack of adequate staff with such expertise.

- <u>Access to Cash</u>—One executive had the ability to transfer from our bank accounts.

The material weaknesses identified did not result in the restatement of any previously reported financial statements or any other related financial disclosure, and management does not believe that the material weaknesses had any effect on the accuracy of our financial statements for the current reporting period.

These weaknesses are continuing. Management and the board of directors are aware of these weaknesses that result because of limited resources and staff. Management has begun the process of formally documenting our key processes as a starting point for improved internal control over financial reporting. Efforts to fully implement the processes we have designed have been put on hold due to limited resources, but we anticipate a renewed focus on this effort in the near future. Due to our limited financial and managerial resources, we cannot assure when we will be able to implement effective internal controls over financial reporting.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during the nine months ended September 30, 2017, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II–OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 10 “Commitments and Contingencies” for our discussion of ongoing litigation with the Memphis Investors which disclosure is incorporated by reference herein.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

For the nine months ended September 30, 2017, individuals exercised Series D warrants to purchase 998,079 shares of common stock at a price of $0.75 per share for cash totaling $748,535. These warrants were related to the Series D warrants that had been issued by pre-merger BBNA under Section 1145 of the Bankruptcy Code as part of a plan of reorganization implemented under Chapter 11 of the Bankruptcy Code.

For the nine months ended September 30, 2017, we issued 337,998 shares of common stock to consultants for services performed with a fair value of $380,683.

For the nine months ended September 30, 2017, we converted 14,692,500 warrants and 100,000 options at an exercise price of $0.00 and issued 14,792,500 shares of common stock.

For the nine months ended September 30, 2017, we issued 11,250 shares of common stock pursuant to our Private Placement Memorandum with a fair value of $45,000 ($4.00 per share)

For the nine months ended September 30, 2017, we issued 7,320,609 shares of common stock for the conversion of notes payable and accrued interest for a fair value of $2,289,131.

Subsequent to September 30, 2017, the Company issued 184,202 shares of common stock to consultants for past services.

On November 8, 2017, Jeremy P. Feakins & Associates, LLC, an investment entity that is majority-owned by Jeremy Feakins, the Company’s director, chief executive officer, and chief financial officer, a Series B note holder, elected to convert $50,000 in notes payable for 50,000 shares of common stock at a conversion rate of $1.00. In addition, they converted accrued interest in the amount of $16,263 for 16,263 shares of common stock.

Subsequent to September 30, 2017, the Company issued 258,476 and 150,590 shares of common stock, respectively to the Chief Executive Officer and Senior Financial Advisor pursuant to the amended employment agreements.

Subsequent to September 30, 2017, the Company entered into a settlement agreement for an outstanding balance for past consulting services and issued 360,000 shares of common stock.

Except as otherwise noted, the securities in these transactions were sold in reliance on the exemption from registration provided in Section 4(a)(2) of the Securities Act for transactions not involving any public offering. Each of the persons acquiring the foregoing securities was an accredited investor (as defined in Rule 501(a) of Regulation D) and confirmed the foregoing and acknowledged, in writing, that the securities must be acquired and held for investment. All certificates evidencing the shares sold bore a restrictive legend. No underwriter participated in the offer and sale of these securities, and no commission or other remuneration was paid or given directly or indirectly in connection therewith.

The proceeds from these sales were used for general corporate purposes.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

During 2013, we issued a note payable for $290,000 in connection with a reverse merger transaction. The outstanding balance for this note at September 30, 2017, was $130,000. We have determined that no further payment of principal or interest on this note should be made because the note holder failed to perform his underlying obligations giving rise to this note. As such, we are confident that if the note holder were to seek legal redress, his unlawful conduct would be revealed and a court would decide in our favor by either voiding the note or awarding damages sufficient to offset the note value.

During 2014, we issued note payables of $300,000. Accrued interest totaled $163,262 as of September 30, 2017 and $113,119 as of December 31, 2016. As of September 30, 2017, the notes are in default. Due to the delay in opening of the Baha Mar Resort, our Baha Mar SWAC project’s financial closing was delayed causing us to default on the notes. We intend to repay the notes and accrued interest upon the project’s financial closing.

On December 12, 2006, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the “EDA -#180” loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $14,974. The interest rate is 6.25% and the maturity date was January 5, 2013. The loan principal was $13,811 with accrued interest of $42 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "EDA - #273" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $94,480. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $94,480 with accrued interest of $21,678 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "MICRO I - #274" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $23,619. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $23,619 with accrued interest of $4,728 as of September 30, 2017. This note is in default.

On December 23, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Southeast Idaho Council of Governments (SICOG). This is referred as the "MICRO II - #275" loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $23,619. The interest rate is 7% and the maturity date was December 23, 2014. The loan principal was $23,619 with accrued interest of $6,030 as of September 30, 2017. This note is in default

On December 1, 2007, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Eastern Idaho Development Corporation, This is referred as the "EIDC " loan. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $85,821. The interest rate is 7% and the maturity date was September 1, 2015. The loan principal was $85,821 with accrued interest of $31,788 as of September 30, 2017. This note is in default

On September 25, 2009, TetriDyn Solutions, Inc. (TDYS) borrowed funds from the Pocatello Development Authority. At the time of the merger between TDYS and Ocean Thermal Energy Corporation (OTE) on May 9, 2017, OTE assumed the liability for this loan. The remaining balance on the loan at the date of merger was $50,000. The interest rate is 5% and the maturity date was October 25, 2011. The loan principal was $50,000 with accrued interest of $17,567 as of September 30, 2017. This note is in default

ITEM 6. EXHIBITS

The following exhibits are filed as a part of this report:

Exhibit No.	Description of Exhibit
3.1 (1)	Certificate of Amendment to the Company's Articles of Incorporation of Ocean Thermal Energy Corporation, dated May 8, 2017
31.1*	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Rule 13a-14
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101 INS	XBRL Instance Document**
101 SCH	XBRL Schema Document**
101 CAL	XBRL Calculation Linkbase Document**
101 LAB	XBRL Labels Linkbase Document**
101 PRE	XBRL Presentation Linkbase Document**
101 DEF	XBRL Definition Linkbase Document**

* Filed herewith.

** The XBRL related information in Exhibit 101 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

(1) Incorporated by reference to the Company's Current Report on Form 8-K filed with the Commission on May 12, 2017.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OCEAN THERMAL ENERGY CORPORATION

Date: November 14, 2017

By: /s/ Jeremy P. Feakins
Jeremy P. Feakins
Chief Executive Officer and
Chief Financial Officer (Principal Executive and Financial Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15(d)-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jeremy P. Feakins, Jr., Chief Executive Officer and Chief Financial Officer of Ocean Thermal Energy Corporation (the “Company”) certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of the Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated: November 14, 2017

By: /s/ Jeremy P. Feakins
Jeremy P. Feakins
Chief Executive Officer and Chief Financial Officer
(Principal Executive Office and Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ocean Thermal Energy Corporation (the “Company”), on Form 10-Q for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission (the “Report”), I, Jeremy P. Feakins, Chief Executive Officer and Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jeremy P. Feakins
Jeremy P. Feakins
Chief Executive Officer
Chief Financial Officer
November 14, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.