

## Training Course: How to Sell (and Build!) More Commercial Solar with PPA Financing

September 1, 2021  
11am - 12:30pm MT

Thank you for joining us!

We will begin shortly.



***Financing a Brighter Future***





***Financing a Brighter Future***

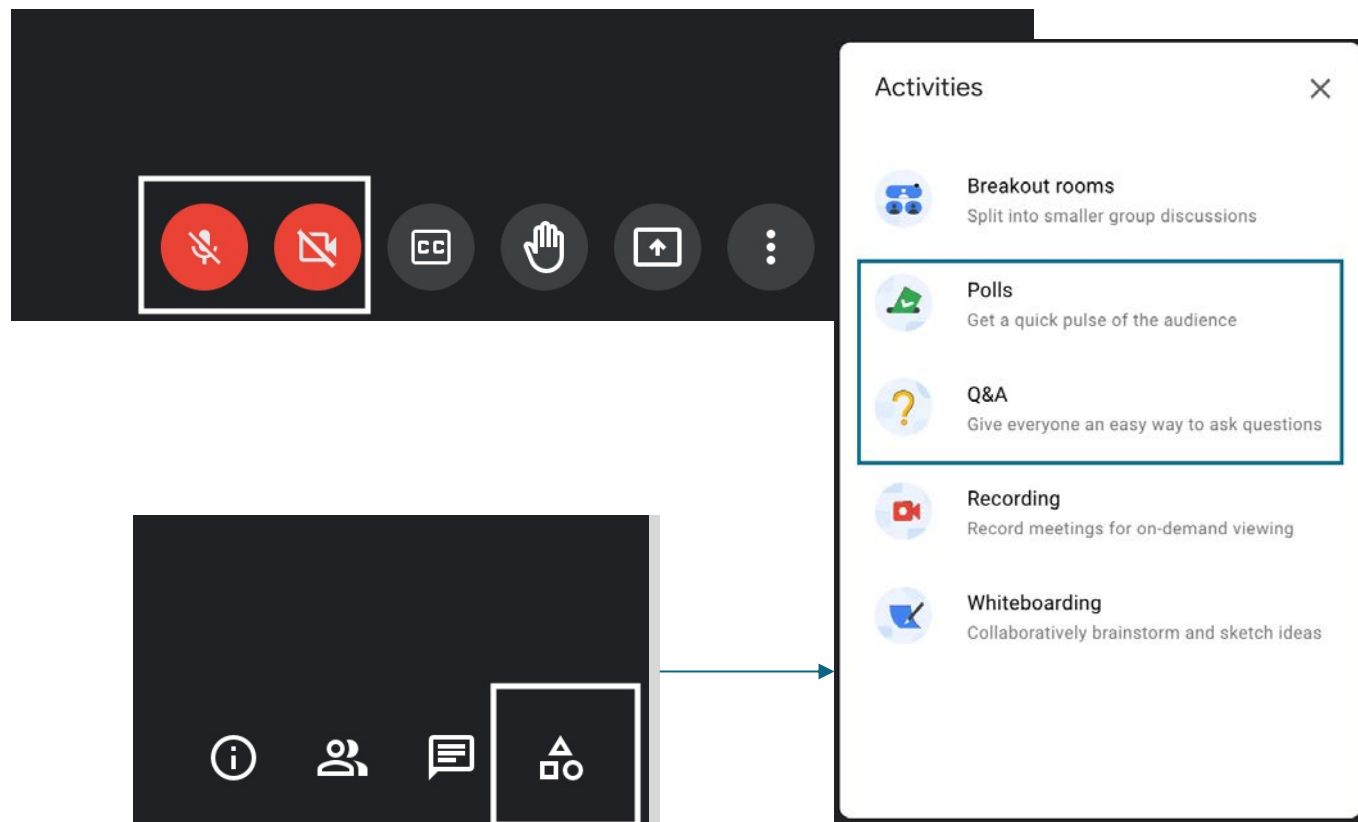
# Google Meet Platform Reminders

## Mute

- Please make sure you stay muted throughout the entire training. Please use the Q & A option to type your questions instead of unmuting yourself.

## Q&A and Polls

- To access the Q & A and to answer polls click on the three shapes in the bottom right corner of your screen. Then click on the appropriate activity. Q & A will be at the end, but you can type in a question at any time. You can also up-vote other people's questions similar to yours.
- Do **not** click the chat button next to it.





# YOUR SPEAKER & TEAM

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**NICK PERUGINI**  
**VP Partners & Projects, Co-Owner**  
[Nick.Perugini@SolarisEnergy.com](mailto:Nick.Perugini@SolarisEnergy.com)  
303.817.3104



**HUNTER EDBERG**  
**Project Development Associate**  
[Hunter.Edberg@SolarisEnergy.com](mailto:Hunter.Edberg@SolarisEnergy.com)  
651.304.7809



**JANNA WEST-HEISS**  
**Director of Communication &  
Corporate Development**  
[Janna.West-Heiss@SolarisEnergy.com](mailto:Janna.West-Heiss@SolarisEnergy.com)  
303.746.2147



# AGENDA

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1. PPA/SSA: What they are, Features & Benefits
2. Obtaining a PPA/SSA Estimate Efficiently
3. The Customer Presentation & Pitch
4. EPCs, Developers, & Investors, Oh My!
5. Solaris Ongoing Support
6. Q & A

Has your company built a project that was  
3rd party PPA financed?

Activities



**Breakout rooms**  
Split into smaller group discussions



**Polls**  
Get a quick pulse of the audience



**Q&A**  
Give everyone an easy way to ask questions



**Recording**  
Record meetings for on-demand viewing



**Whiteboarding**  
Collaboratively brainstorm and sketch ideas



# PPA/SSA Features & Benefits







## What is a PPA/SSA?

- Decades old, proven energy financing structure
- Safest option for the host/offtaker
- Lowest cost of entry for commercial-scale solar
- Utilized by municipalities, non-profits, corporations, etc.
- Little to no money upfront or operational risk for customer
- Immediate customer savings, growing over time.

Host Concerns	Buying	Leasing	Solar SSA/PPA
Upfront Capital	Yes	Little to None	Little to None
Performance Risk	Yes	Yes	None
System Expertise Required	Yes	Yes	None
Maintenance Required	Yes	Yes	None
Purchase Required	Yes	Yes	None



# PPA/SSA Features & Benefits

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- Works for all entity types
- Full utilization of ITC & depreciation
- Construction cost on us
- O&M on us
- Insurance on us
- Purchase options after year 6
- OPEX savings
- Property Enhancement

# Obtaining a PPA/SSA Estimate Efficiently



# Key Information

Utility Energy  
Only Rate  
(the target)

System Size

## The Big Four

Turn-Key EPC  
Price

Annual  
Production

The more data we have the quicker and more accurate we  
can be for you and the customer... 3 days v. 3 weeks



# Intake Form

## Critical Dates

Today's Date

Estimate Needed by Date

Project Deadline Date (if any)

Reason for project deadline

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## Originator Company

Company Name

Company Address

Contact Person

Contact Person Phone

Contact Person Email

Relation to project? EPC, Co-develop, supplier, etc.

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## Customer / Host / Off-taker Information

Business Name

Business Address

City

State / Province

ZIP / Postal Code

County

Permitting Jurisdiction (city, county, state?)

Owns Building/Site? Yes/No

Has Loans on Building/Site? Yes/No

Is the company credit rated? (if known, provide rating & agency)

Is the Customer completing the Solaris Credit Form? Please provide.

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## Project Site Info *(if different)*

Project Affectionate Name

Project Physical Address

Project Location City

Project Location State

Project Location Zip / Postal Code

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\*

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## Utility Company Information

Electric Provider

\*

Current kWh Rate paid by customer (\$/kWh. Not Blended)

\*

Expected Annual Escalation of Retail Utility Rate (%)

## System Information

System Installation Type (roof ballasted/flush, ground, 1-axis tracking, pitch, orientation)

\*

Total System Size (kW DC)

\*

Total Year 1 System Production (kWh/yr)

\*

Expected EPC Cost (\$/W DC)

\*

Host \$ available toward prepayment (if any)

Additional expected development costs (\$)

Calculation: Project Cost calculation

Calculation: kWh AC per kW DC

Estimated Construction Start Date (m/yyyy)

Estimated Commercial Operation Date (COD) (m/yyyy)

\$

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#DIV/0!

## Operational Expenses

Roof/Land Lease (\$ per year, if any)

Roof/Land Lease (expected # of years required for project)

Expected Year 1 Property Taxes (\$) and Term

Operations and Maintenance (O&M) cost per kW DC per year

Does the project or SPE have any loans already?



### Project Income

SREC/ZREC (\$/kWh)

SREC/ZREC contract term (# of years)

Performance Based Incentive (PBI) (\$/kWh rate)

PBI Term (# of Months)

Other Utility Rebates (\$)

Other Incentives (\$)


### Financing Targets

Desired PPA Rate (\$/kWh) if known

Desired PPA Term (# of years 20 or 25 or ?)

Desired PPA Escalator Rate (%) if known

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### Supporting Documentation (please provide if available)

- Offtaker recent Electric Bill
- Preliminary Layout and Production Report
- Customer Proposal (if any)
- Permitting/Interconnection paperwork (if underway)


### Additional Comments or Requests

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# The Customer Presentation & Pitch





## Tips for presentation

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- Lead with financing – don't scare them away with a cash price
- Provide options: PPA, Loan, Lease, Cash
  - Can they utilize all tax benefits internally?  
Then they don't need us
- Accurate facts and materials are critical
- Describe the process and how easy it is!
- Make sure they have an internal champion advocating for the project (that decision makers listen to)



# Customer FAQs & Answers



## What responsibility does the offtaker have after it's built?

- Paying your bill!
- Informing us of any issues at the site
- Site access



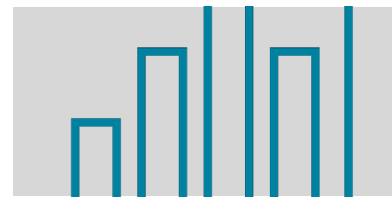
## When can the offtaker “buy out” and how much?

- Options to buy out starting in year 6
- Independent appraiser will determine fair market value



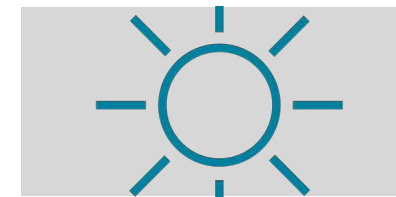
## Whose insurance is it under and who owns the equipment?

- We own the equipment, and therefore hold the insurance on the system



## What will you see from a monitoring perspective?

- Free access to view energy production on a daily, weekly, monthly, and annual basis



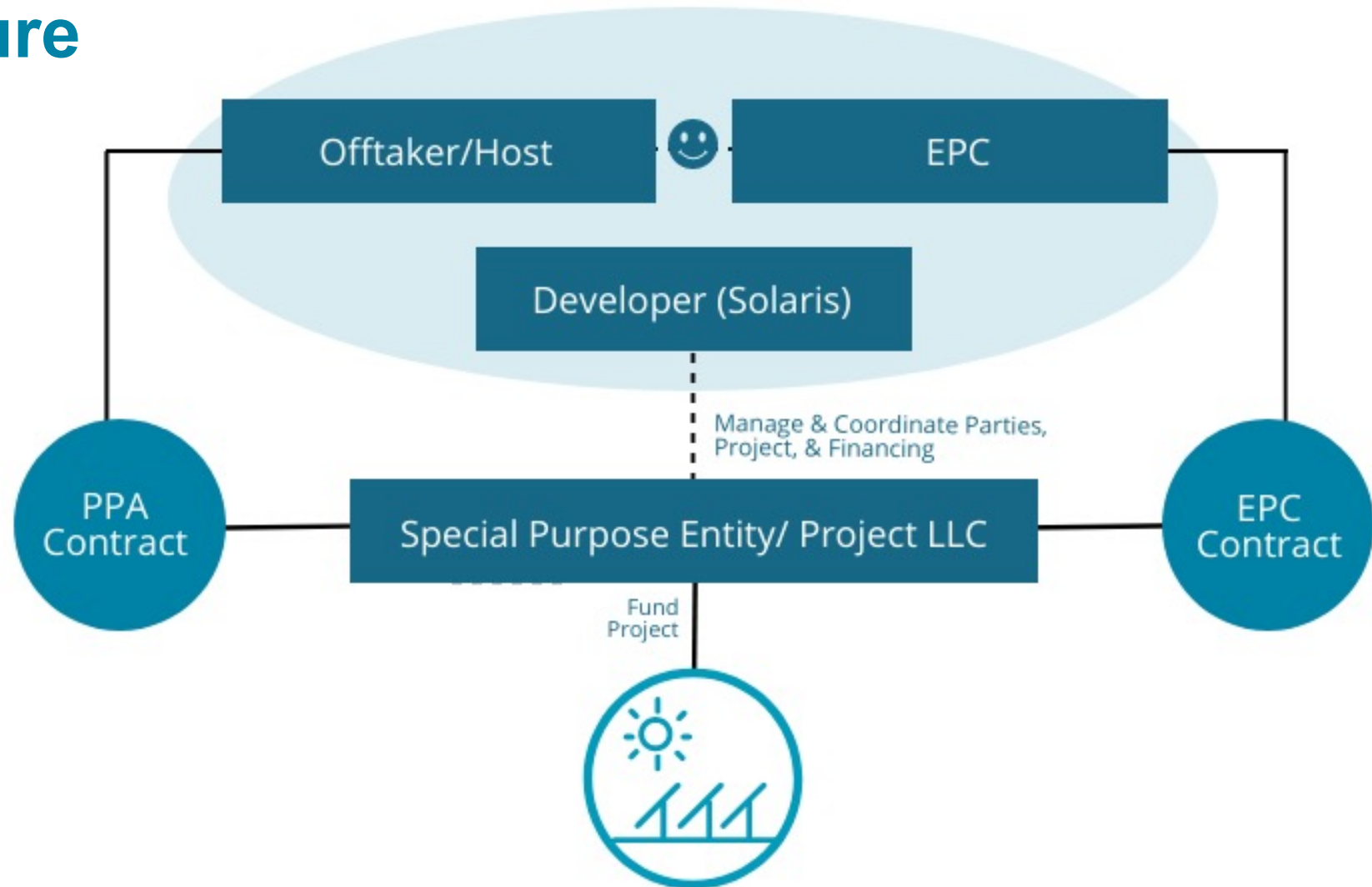
## What does the offtaker need to provide upfront?

- Full financial package
- Contract review and signing
- Cooperation and good communication

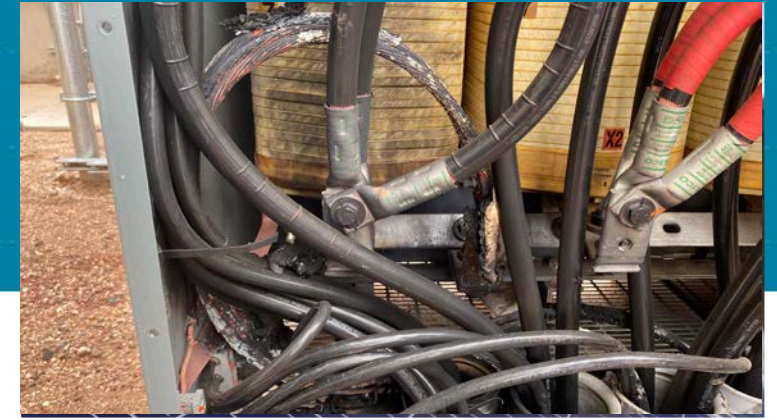
**EPCs, Developers, & Investors,  
Oh My!**



## Deal Structure







## Key EPC Contract Features

- Milestones
- Payment terms
- Insurance requirements
- Roof Warranty
- Monitoring
- Liquidated Damages
- Change Orders
- Detailed Scope of Work

# Solaris Ongoing Support

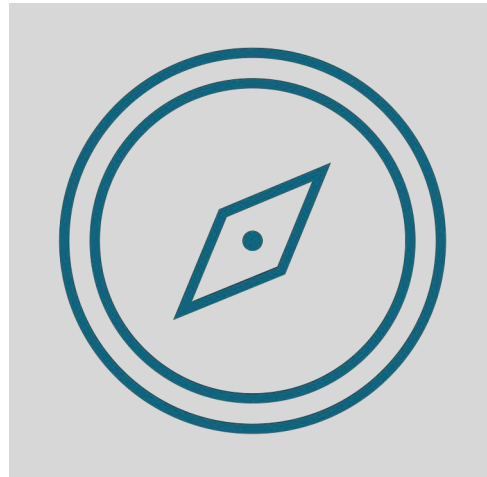


## Solaris Energy can provide...

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**Accurate, Efficient  
Estimates**



**Guidance on  
Proposals**



**Assistance/guidance  
on customer  
interaction**



**Continuing  
education for your  
sales teams**





**NICK PERUGINI**  
VP PARTNERS & PROJECTS

Nick.Perugini@SolarisEnergy.com  
303.817.3104

**HUNTER EDBERG**  
PROJECT DEVELOPMENT ASSOCIATE

Hunter.Edberg@SolarisEnergy.com  
651.304.7809

**Questions?**

**SolarisEnergy.com**  
**970.279.3137**

430 N College Ave., Suite 440  
Fort Collins, CO 80524