



Below is a transcript of the Q&As from our webinar “Funding Solar for Nonprofits” presented on April 28, 2021. Some questions asked are not included below if they were answered live during the webinar.

Q: What type of regular maintenance happens with solar panels annually? Expenses associated with it?

A: We model about half a penny per Watt annually as a maintenance cost. Maintenance requirements are minimal. Typically, it involves a visit a couple of times a year to check wiring connections and the inverter equipment. Most projects are metered and displayed online, so you and we can see if production drops off in real-time, prompting a more interventionist maintenance exercise.

Q: Have you found banks open to structuring a loan amortizing to a balloon to reduce the monthly payment given the asset has a 35 year life and the loan term is just 7 years?

A: We haven't had that discussion with the lenders we work with. I would be happy to do so if that is of interest.

Q: Are PPAs available in all states?

A: Unfortunately no they are not allowed in all states - we look at that as a variable for the organization when asked to do an assessment.

A: Have a look at this for a great deal of information about the regulatory environment for each of the states: www.dsireusa.org

Q: What is your relationship with Catholic Energies?

A: Mission Energy serves as the program manager for Catholic Energies. Catholic Energies is a program created by the Catholic Climate Covenant.

Q: When solar panels are no longer functioning, how can they be ecologically disposed of?

A: The vast majority of the material in a commercial scale solar installation is glass, aluminum, copper and steel. Effectively all of that can be recycled.

Q: Explain again on Power Purchase Agreements how the "subscribed amount" is determined?

A: The investor in a PPA is seeking a particular rate of return. Modeling the capital expenditure, accounting for the tax benefits, etc. get set off against the revenue (which is created by the PPA rate paid by the nonprofit) and any available incentives to determine that rate of return.

Q: Energy Services Agreements can be used in those states where a PPA is not allowed or the state is quiet on that issue. ESA's in effect, are essentially the same as PPA.

A: Correct. We are looking at ESAs in a number of markets.

Q: What are Mission Energy's charges to our church?

A: \$0, unless you are buying a system from us as a cash purchase. We provide our analysis and feasibility services free of charge. We only get paid in the event we can develop a successful project, and we get paid, typically, out of the financing.

Q: Can the investor take the tax benefits on the ESA structure?

A: Yes. Tax benefits are available to the lender in an ESA structure.