

March 15, 2019

Eric Dyer, Town Manager
Town of Readfield
8 Old Kents Hill Rd.
Readfield, ME 04355

Dear Mr. Dyer,

We at ReVision Energy genuinely appreciate the opportunity to provide this Solar Power Purchase Agreement (PPA) proposal to the Town of Readfield for a 53.28 kilowatt (kW) grid-tied solar electric array located on the grounds of the transfer station. The project will generate an estimated 64,723 kilowatt hours (kWh) of clean solar electricity per year, helping to reduce the Town of Readfield's energy costs and eliminating roughly 68,153 lbs. of CO2 emissions annually.

Under the financial structure that we are offering, there is no upfront cost to the Town of Readfield. Instead, once you are comfortable with the offer we are making and you decide to accept, we will collaborate with one of our qualified New England Impact Investor partners to finance, build, own and operate the solar array on your property. You will license the grounds needed for the solar array to operate and you will agree to purchase all the electricity generated by the solar array. ReVision Energy and the Impact Investor partner will take care of all the rest.

After 5 years, you will have an opportunity to decide whether you would like to purchase and own the solar array and close out the PPA agreement with the Investor. If you decide to exercise this early buyout option, there is no further payment to the Investor for the solar electricity delivered by the array. You will have several buyout opportunities over the life of the contract, but you may decide to keep purchasing solar electricity from the Investor for the full 25 years, after which you will have two options for 5-year extensions. If you decide to keep buying solar electricity from the Investor until the very end, you can then choose to either have the system removed for free, or purchase it at an agreed upon price. Each system is designed to reliably produce energy for another 15-25 years, at more than two-thirds of its productivity when new. The durability of solar equipment, when properly installed, is truly remarkable.

The attached proposal compares the value of a solar PPA to an outright purchase, and explains the PPA electricity price schedule offered so that you can best understand why this solar PPA is a great way to lock in energy cost reductions for decades while providing clean renewable energy to meet your needs.

ReVision Energy deeply admires the Town of Readfield's leadership in the effort to lower northern New England's carbon footprint and to aid our transition to clean energy. It is our hope that this project will both reward and aid you in those efforts! Please let us know if we can provide any additional information.

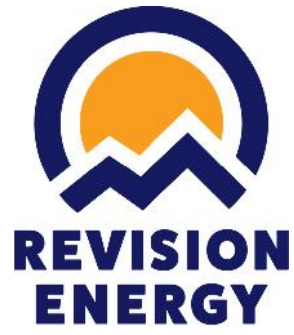
Sincerely,



Andrew J. Kahrl
Sales Person's Job Title, ReVision Energy

Solar PPA Proposal for the Town of Readfield

By



March 15, 2019



Figure 1: Engineer's rendering of proposed 53.28 kW Solar Array on the Readfield Transfer Station.

SOLAR PPA PROPOSAL FOR THE TOWN OF READFIELD

Project Summary

We base our project sizing on rigorous analysis of your facilities and of your current electricity usage. Our design professionals have visited your site and our analysts have collected and reviewed your utility electricity purchase history. We can recommend with confidence that a 53.28 kilowatt grid-tied solar electric array located on the grounds of the Readfield Transfer Station, as depicted in the engineer's rendering shown in Figure 1, is an optimal system design and size for your stated objectives.

The array will include approximately 144 Tier 1ⁱ solar panels, 3 inverters, a smart meter and real-time monitoring via the internet. The project will generate an estimated 64,720 kilowatt hours of clean solar electricity per year, helping to reduce the town's energy costs and eliminating roughly 68,153 lbs. of CO₂ emissions annually.

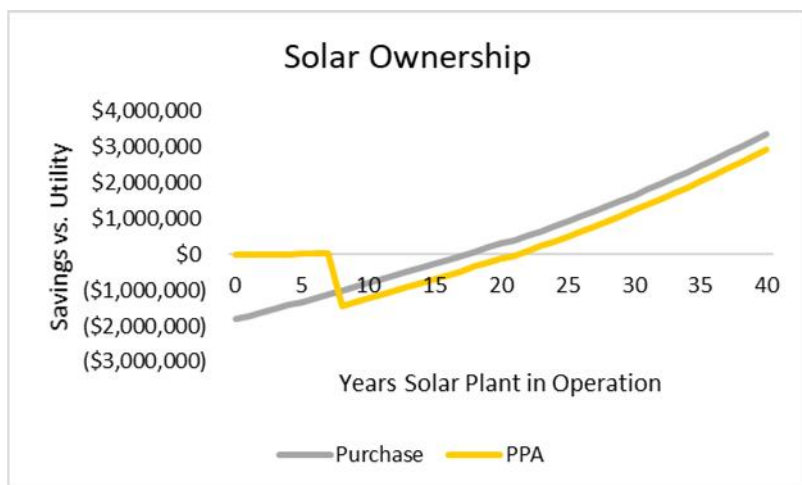
Solar electricity production from every panel is warranted by the manufacturer for 25 years, and the expected useful lifespan of these panels, all wiring, and the structural components exceeds 40 years. Inverter equipment, which typically accounts for less than 5% of upfront system cost and is becoming less expensive each year, has an expected useful life exceeding 20 years. With minimal maintenance, solar systems provide a long-term supply of trouble-free renewable energy.

Zero Up Front Cost

Under the proposed Solar Power Purchase Agreement (PPA) financial structure, there will be no upfront cost to you for this \$149,184 project. Rather, the project's Impact Investor partner will finance, own and operate the solar array on your property for a contract term of 25 years, with options for an early purchase beginning after year 5, and with options for two 5-year extensions. You will simply purchase the solar electricity generated by the system under the rate schedule described on page 2.

A PPA is the Most Cost Effective Way to Buy Solar Electricity

PPA financing enables the project to benefit from federal solar tax credits, which can substantially reduce overall costs for you. There is never any obligation to purchase the project, but generally, the earlier you exercise your buyout option, the larger the lifetime project savings, and so we encourage you to consider that option. As shown in the accompanying graph, the PPA coupled with an early buyout results in a significantly more favorable cash flow position than a cash purchase on day one.

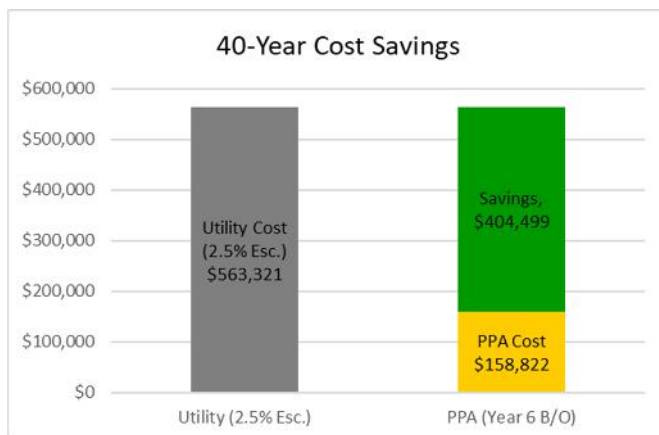


Solar Electricity Price

The project’s Impact Investor partner will confirm financing for this solar project, including the sale of electricity generated by this project to you at the rates specified below, once you have accepted this proposal. Our goal is to design a rate schedule that best suits the goals of the Town--to fulfill its commitment to sustainability and to reduce its long term energy costs--while simultaneously designing an investment that is acceptable to an Impact Investor partner. Our mission in offering solar PPAs is to make solar electricity as accessible, convenient and easy to understand as grid electricity – but without any of the associated pollution and without the uncertainty about future prices that is inherent in electricity from the grid. The solar electricity price is as follows:

	For the first 2 Years (\$/kWh)	Fixed rate increase, regardless of inflation After Y2	Y7 PPA Price Increase if any (\$/kWh)	Estimated Buyout Year 6 ⁱⁱ
SOLAR	\$0.1330	2.0%	\$0.000	\$89,510

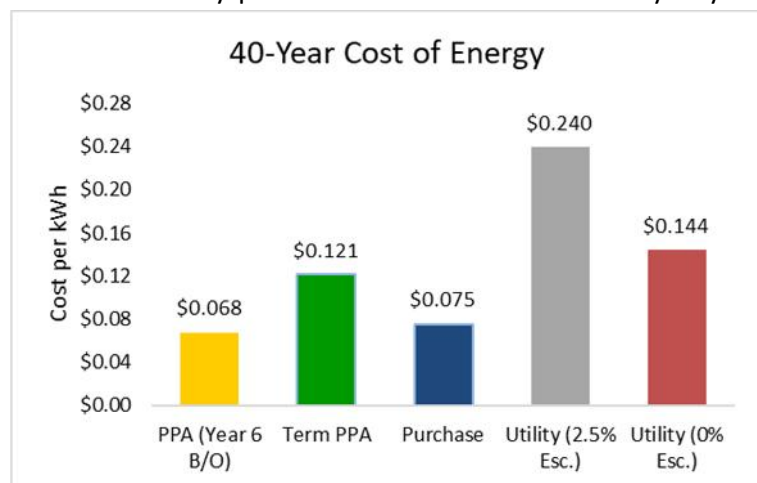
Note: this price is valid for 30 days from the date of this proposal and is contingent upon securing project financing.



The solar price schedule is designed to start close to current utility rates. This solar price will also rise slower than historical utility rates (3.2% per yearⁱⁱⁱ) and slower than projected future utility rates (2.5% per year^{iv}). In addition, locking in a consistent 25-year energy price schedule offers a predictable electricity budget over the lifetime of the PPA. Finally, an early buyout offers a pathway to ownership that often costs pennies on the dollar versus an upfront purchase of the same solar energy project, allowing you to

maximize your long-term energy savings while minimizing your capital investments.

A Solar PPA Has the ideal Cash Flow Structure for schools and non-profits, with zero upfront investment, and is a great way to lock in low electricity prices. A solar PPA with an early buyout provides substantial electricity savings when compared to buying electricity from the utility even where conservatively incorporating the cost of full inverter replacement after the twentieth year. If an early buyout is not feasible, taking the PPA contract to its 25-year term will lock in an electricity price that is still significantly lower than expected utility prices over the system lifetime.



A Solar PPA is a contract between you and the Impact Investor Partner, with both parties having responsibilities under that agreement. In capsule summary,

Town of Readfield:

- You authorize the use of your grounds to host the solar array;
- You purchase the solar electricity generated by the array according to the price schedule;
- You enter into a utility interconnection agreement arranged by ReVision Energy; and
- You add a liability insurance rider to your regular insurance coverage.

The Impact Investor:

- Owns and operates the installed solar system for the duration of the PPA contract, either 25, 30 or 35 years, or until you choose to exercise a buyout option;
- Registers the system with NEPOOL-GIS in order to sell the Renewable Energy Credits;
- Maintains the system while under their ownership (no maintenance costs to you);
- Fully insures the system for both property and liability risks.

When you notify ReVision Energy that you are ready to proceed, we will collaborate with the Impact Investor partner, who will complete its project due diligence and provide a draft PPA contract for your review. Once the PPA contract is finalized and signed, ReVision Energy will complete permitting with local and state authorities, and will prepare the interconnection application for filing with the utility. Then ReVision Energy will purchase the equipment and schedule the installation of the solar array. Our usual timing from PPA signature to project completion is 180 days.

About ReVision Energy & Our Mission

Since 2003, ReVision Energy has installed more than 7,000 solar photovoltaic systems in Maine, New Hampshire and Massachusetts. To ensure maximum performance and longevity in our harsh climate, each system is designed by ReVision Energy engineers from Brown, Dartmouth, MIT, UMaine and UNH and installed by our in-house team of licensed, professional solar technicians. The company mission is to lead the region's transition from a fossil fuel based economy to a sustainable, renewable energy based clean economy. Our solar energy solutions provide our partners with viable, long-term plans for responsible energy consumption and for recurring savings with zero up front capital costs. Today northern New England has the highest per capita carbon pollution on the east coast—every solution we provide at ReVision Energy helps to reduce greenhouse gas emissions and ensure a sustainable future for generations to come. ReVision Energy is a certified B-corp and is 100% ESOP-owned.

ⁱ http://about.bnef.com/content/uploads/sites/4/2012/12/bnef_2012-12-03_PVModuleTiering.pdf

ⁱⁱ Pursuant to IRS rules, future buyout estimates may be expressed as an amount equal to the greater of Fair Market Value or a schedule of values. See IRS Publication 561: <https://www.irs.gov/publications/p561/ar02.html#d0e139>; and 22 U.S. Code § 7701(e)(4)(A)(iv) <https://www.law.cornell.edu/uscode/text/26/7701> (which prohibits solar PPAs financed with ITC proceeds from including any option or requirement providing for the host's purchase of the solar equipment at any price less than its fair market value).

ⁱⁱⁱ US Energy Information Administration, November 9, 2017. https://www.eia.gov/electricity/data/state/avgprice_annual.xlsx; 3.2% represents the simple average annual rise of the Total price for the Total Electric Industry in all six New England states 2003-2016.

^{iv} US Energy Information Administration, Annual Energy Outlook 2018, "Table 8. Electricity Supply, Disposition, Prices & Emissions", February 6, 2018. https://www.eia.gov/outlooks/aeo/excel/aeotab_8.xlsx; 2.5% represents the simple average annual rise in the nominal End-Use Prices for the All Sectors Average 2017-2040.

PPA Rate Schedule & Savings

Project Design		Project Incentives		PPA Assumptions	
Annual Generation	64723	State	ME	EPP	\$0
System Size in kW (DC)	53.28	Grant/Rebate	\$0	Year 1 PPA Rate	\$0.133
System Size in kW (AC)	42.00	RECs Flow to	Investor	PPA Escalator %	2.0%
Annual Output Derate	0.5%			Year Escalator Takes Effect	3
Purchase Option	\$149,184			Year 7 Premium	\$0.00
				Buyout Estimate	\$89,510

Project Income		Operating Expenses		Buyout Terms	
Y1 Utility Rate	\$0.1445	Inverter Replacement (Y21)	\$3,197	Buyout Method	Cash
Utility Escalator	2.5%	Insurance	\$0	Buyout Estimate	\$89,510
Y1 REC Volume	65	Insurance De-Escalator	0.0%	Interest Rate	
REC Price (\$/MWh)	\$8	O&M (\$/kW)	\$663.12	Loan Term	
REC Term (years)	10	O&M Escalator	0.0%		
REC De-Escalator	5%				

Term PPA						PPA w/ Early Buyout		
Year	Generation (kWh)	Utility \$/kWh	PPA Rate per kWh	Annual Revenue	Cumulative Revenue	Buyout Payment	Annual Revenue	Cumulative Revenue
1	64,723	\$0.1445	\$0.1330	\$740	\$740	\$0	\$740	\$740
2	64,399	\$0.1481	\$0.1330	\$969	\$1,710	\$0	\$969	\$1,710
3	64,077	\$0.1518	\$0.1357	\$1,031	\$2,741	\$0	\$1,031	\$2,741
4	63,757	\$0.1556	\$0.1384	\$1,095	\$3,836	\$0	\$1,095	\$3,836
5	63,438	\$0.1595	\$0.1412	\$1,161	\$4,997	\$0	\$1,161	\$4,997
6	63,121	\$0.1635	\$0.1440	\$1,228	\$6,225	(\$89,510)	(\$79,664)	(\$74,668)
7	62,805	\$0.1676	\$0.1469	\$1,298	\$7,523	\$0	\$10,030	(\$64,638)
8	62,491	\$0.1717	\$0.1498	\$1,370	\$8,893	\$0	\$10,219	(\$54,419)
9	62,179	\$0.1760	\$0.1528	\$1,443	\$10,336	\$0	\$10,413	(\$44,006)
10	61,868	\$0.1804	\$0.1559	\$1,519	\$11,855	\$0	\$10,612	(\$33,394)
11	61,559	\$0.1850	\$0.1590	\$1,598	\$13,453	\$0	\$10,722	(\$22,671)
12	61,251	\$0.1896	\$0.1622	\$1,678	\$15,131	\$0	\$10,949	(\$11,723)
13	60,945	\$0.1943	\$0.1654	\$1,761	\$16,892	\$0	\$11,179	(\$543)
14	60,640	\$0.1992	\$0.1687	\$1,846	\$18,738	\$0	\$11,415	\$10,871
15	60,337	\$0.2042	\$0.1721	\$1,934	\$20,671	\$0	\$11,655	\$22,526
16	60,035	\$0.2093	\$0.1755	\$2,024	\$22,695	\$0	\$11,900	\$34,426
17	59,735	\$0.2145	\$0.1791	\$2,116	\$24,811	\$0	\$12,149	\$46,575
18	59,436	\$0.2199	\$0.1826	\$2,212	\$27,023	\$0	\$12,404	\$58,979
19	59,139	\$0.2253	\$0.1863	\$2,310	\$29,332	\$0	\$12,664	\$71,643
20	58,843	\$0.2310	\$0.1900	\$2,410	\$31,742	\$0	\$12,929	\$84,572
21	58,549	\$0.2368	\$0.1938	\$2,514	\$34,256	\$0	\$10,002	\$94,573
22	58,256	\$0.2427	\$0.1977	\$2,620	\$36,876	\$0	\$13,474	\$108,048
23	57,965	\$0.2487	\$0.2017	\$2,730	\$39,606	\$0	\$13,755	\$121,803
24	57,675	\$0.2550	\$0.2057	\$2,842	\$42,448	\$0	\$14,042	\$135,845
25	57,387	\$0.2613	\$0.2098	\$2,957	\$45,405	\$0	\$14,334	\$150,179
26	57,100	\$0.2679	\$0.2140	\$3,076	\$48,481	\$0	\$14,632	\$164,811
27	56,814	\$0.2746	\$0.2183	\$3,198	\$51,679	\$0	\$14,936	\$179,747
28	56,530	\$0.2814	\$0.2226	\$3,323	\$55,003	\$0	\$15,246	\$194,993
29	56,248	\$0.2885	\$0.2271	\$3,452	\$58,455	\$0	\$15,562	\$210,555
30	55,966	\$0.2957	\$0.2316	\$3,584	\$62,039	\$0	\$15,885	\$226,440
31	55,687	\$0.3031	\$0.2363	\$3,720	\$65,759	\$0	\$16,214	\$242,654
32	55,408	\$0.3106	\$0.2410	\$3,859	\$69,618	\$0	\$16,549	\$259,203
33	55,131	\$0.3184	\$0.2458	\$4,002	\$73,620	\$0	\$16,891	\$276,094
34	54,856	\$0.3264	\$0.2507	\$4,149	\$77,770	\$0	\$17,240	\$293,334
35	54,581	\$0.3345	\$0.2557	\$4,300	\$82,070	\$0	\$17,596	\$310,930
36	54,308	\$0.3429	\$0.2609	\$4,455	\$86,525	\$0	\$17,959	\$328,889
37	54,037	\$0.3515	\$0.2661	\$4,614	\$91,139	\$0	\$18,329	\$347,218
38	53,767	\$0.3603	\$0.2714	\$4,777	\$95,917	\$0	\$18,706	\$365,924
39	53,498	\$0.3693	\$0.2768	\$4,945	\$100,862	\$0	\$19,091	\$385,015
40	53,230	\$0.3785	\$0.2824	\$5,117	\$105,979	\$0	\$19,484	\$404,499