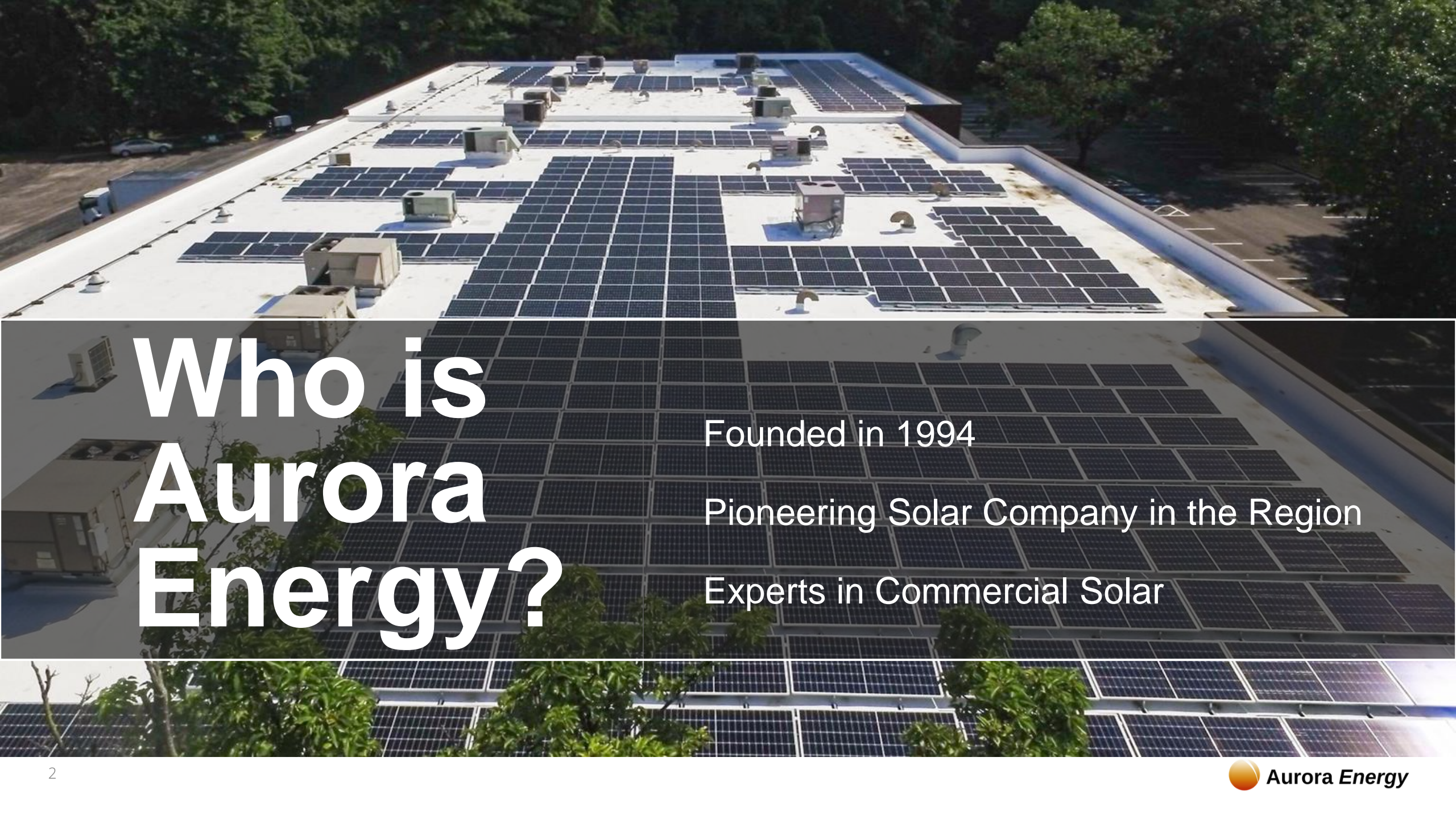


Solar for the AG Reserve

Presented by Aurora Energy, Inc.





Who is Aurora Energy?

Founded in 1994

Pioneering Solar Company in the Region

Experts in Commercial Solar

Why Landowners are turning to Solar



**ENVIRONMENTAL
STEWARDSHIP**



**DRASTICALLY REDUCE
ENERGY COSTS**



**CREATE A NEW
REVENUE STREAM**



SAFE INVESTMENT



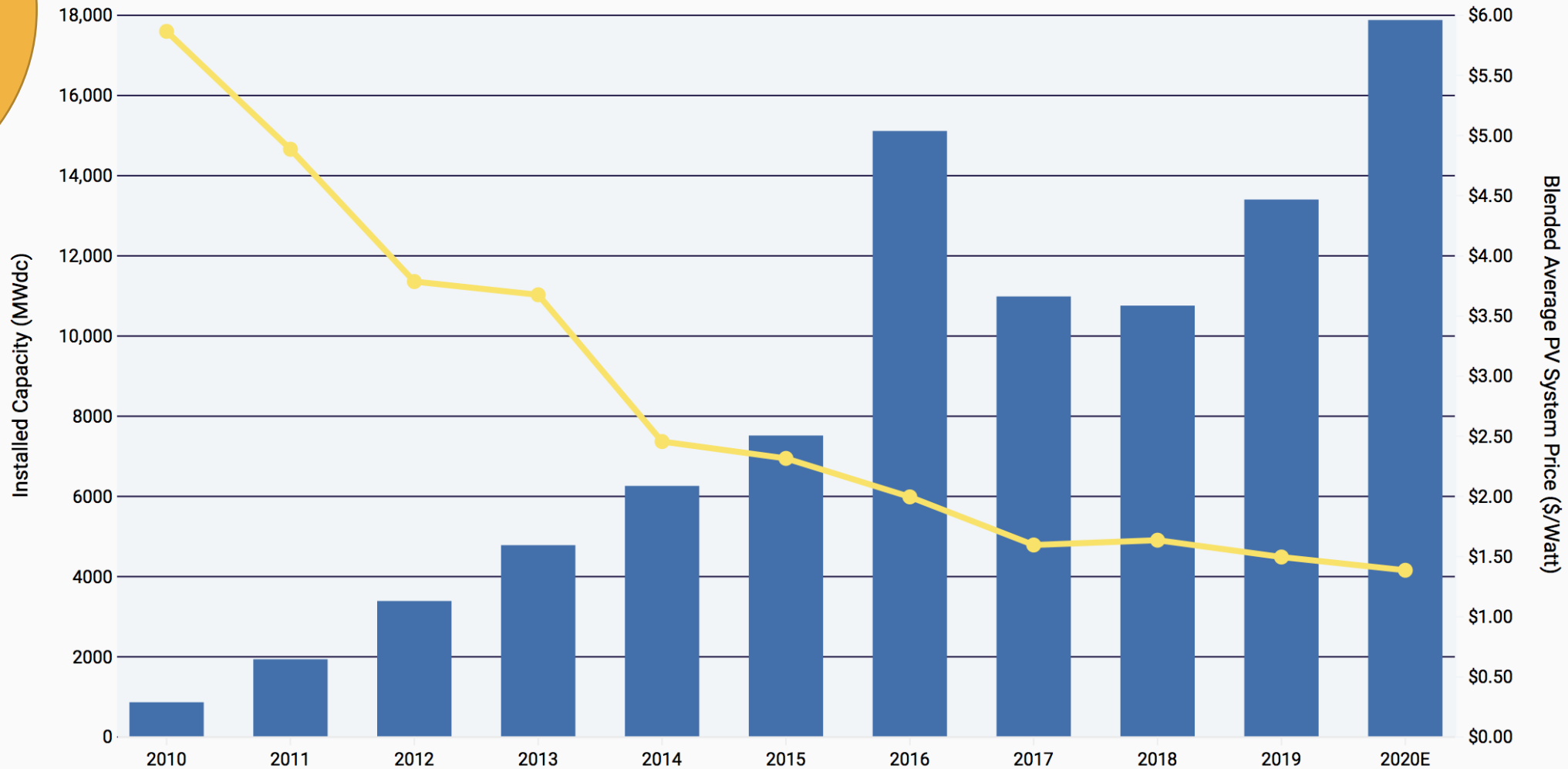
Aurora Energy

Solar provider since 1994

Solar Project Financials

Now is the
time to go
solar

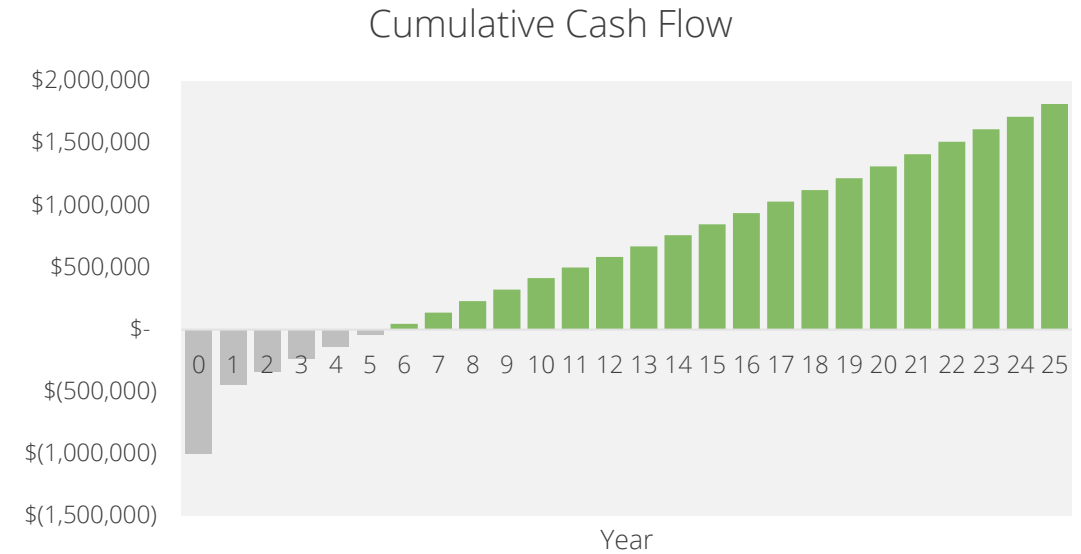
U.S. Solar PV Price Declines & Deployment Growth



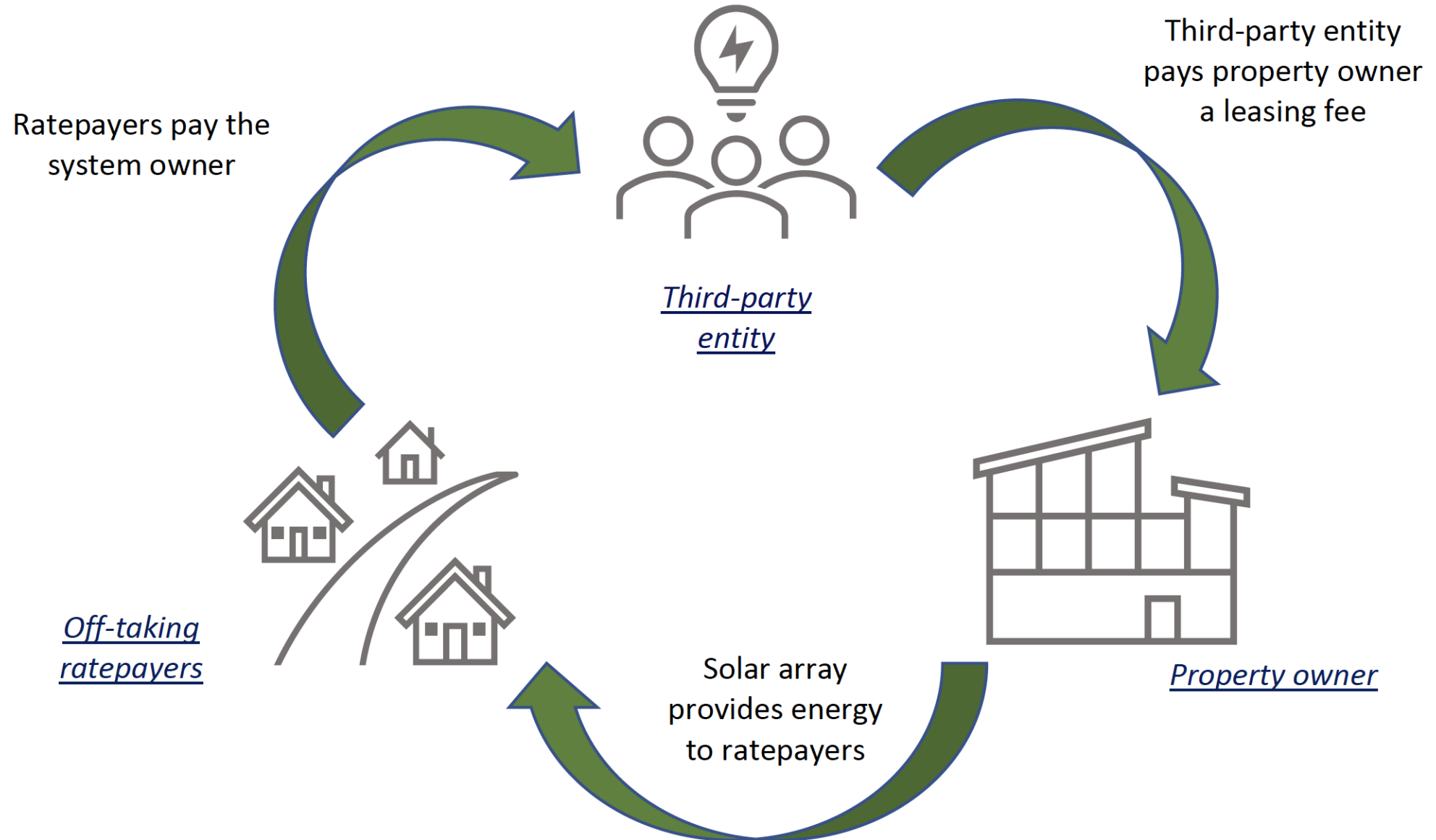
Source: SEIA/Wood Mackenzie Power & Renewables U.S. Solar Market Insight 2020 Q2

Example Solar Cash Flows- CAPEX

- Typical project can offset 40-50% of total cost in first year through Tax Credits, SRECs, and Utility Bill Savings
- Depending on project common paybacks for ground mount solar in MD are 4-7 years on a 25 asset



How Community Solar works:





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Development & Construction

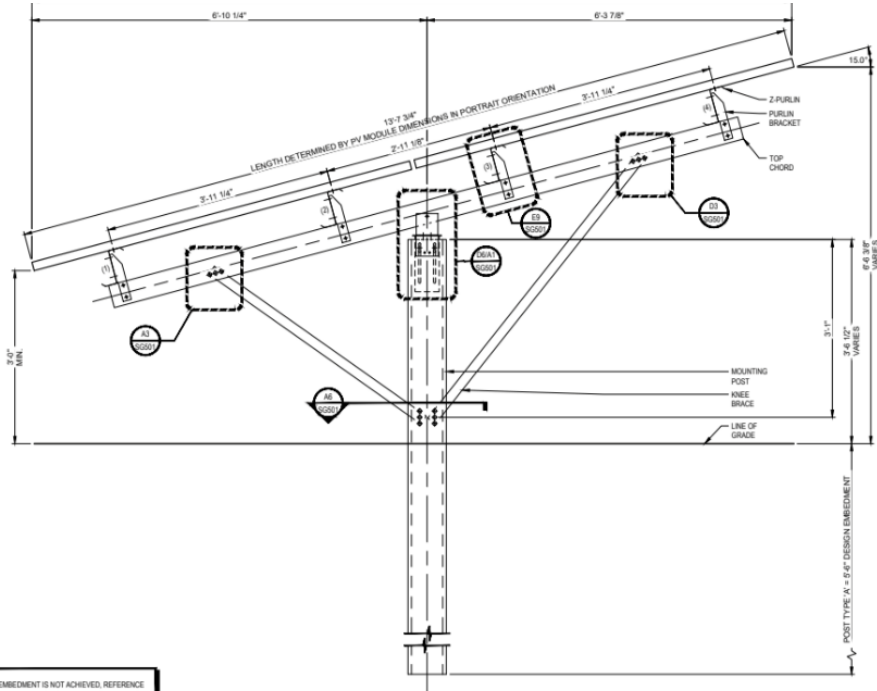
Development Processes

- Design/ Permitting
 - ❖ Topographic surveys
 - ❖ Site development plan
 - ❖ Environmental reviews- MDE/Montgomery County
 - ❖ Stormwater & grading application-MNCPPC/Montgomery County
 - ❖ Building permit
- Utility Interconnection
 - ❖ Pepco application submission (& PSC for Community Solar)
 - ❖ Cost letter and payment (CS only)
 - ❖ Approval to install
 - ❖ Permission to operate
- Construction

Civil Works



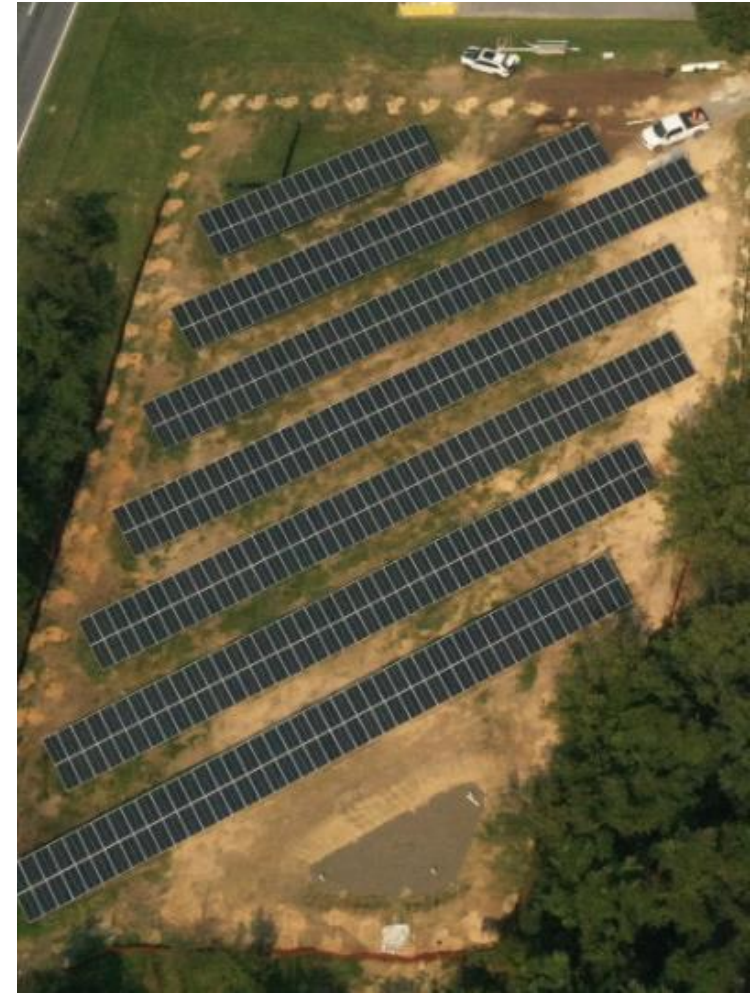
Racking Post Installation



Cross member and module installation



Interconnection



Landscaping & Operation and Maintenance



Solar for Agriculture

Mary's Land Farm

Location:	Ellicott City, MD
System Size:	199.43 kW
Completion Date:	June 2019
Annual Production:	278 MWh
Lifetime	
Emissions Offset:	4,900 metric tons

Saving over \$30,000 in electricity costs in the first year and over \$1 million over the life of the system, more funds can be invested back into their business.

And with a power-producing clean energy source on-site, their farming philosophy of going beyond organic principles using a minimal amount of fossil fuels is reaping its own rewards.



Take aways

Solar for Land Owners

Types of Solar Installation and Case Studies

- Solar can be profitably installed on farmland
- Those with farm land in Montgomery County are uniquely lucky to have the Green Bank and a strong community solar program
- Solar can offset 100% of a farm's electricity costs or be exported to the grid through community solar
- While development takes awhile, installation is quick and easily and customized to different conditions

Financials and Process

- Solar revenue comes from federal tax incentives, SRECs and electricity bill savings
- Financing options are available to generate no upfront cost projects that are cash flow positive in year 1
- Ground mounted systems up to 2 MW can be utilized for community solar projects, creating a new revenue stream for landowners



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THANK YOU

Backup Slides

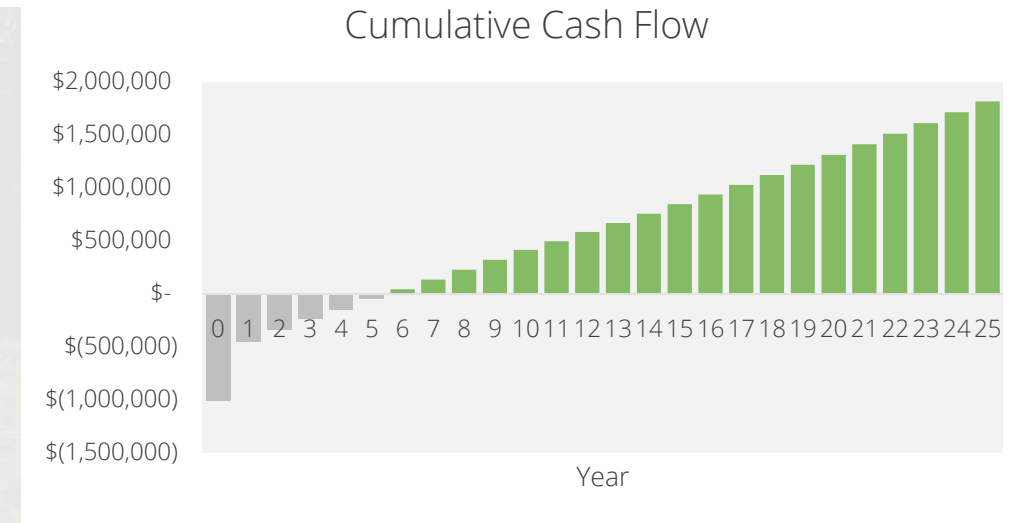
Reduce Operating Expenses

- Tax benefits (Federal tax credits and bonus depreciation)
- State incentive (SRECs)
- Lock in Energy Savings for 25 Years
- Financing options- no upfront payment, cash flow positive in year 1

OR

Add a Revenue Stream

- Become a community solar program host site
- Supplement income by making money off your solar land lease



Financial Options

Cash	Capital Loan	Operating Lease	PACE Financing	Power Purchase Agreement (PPA)
One-time cost	No upfront capital cost, positive cash flows year 1	No upfront capital cost, positive cash flows year 1	No upfront capital cost, positive cash flows year 1	No upfront capital cost, positive cash flows year 1
Own the system hardware; take advantage of depreciation and tax benefits	Own the system; full tax/depreciation benefits and SRECs	Own the system after Lease period ends; no tax benefit, partial depreciation benefits, full SRECs	Own the system; full tax/depreciation benefits and SRECs	System owned by a PPA provider, no tax/depreciation benefits or SREC, all benefit through electricity bill savings
Payments are made during the installation	Fixed payments made yearly over ~7-year time frame	Fixed payments made yearly over ~7-year time frame, with a buy out in year 8	Low cost, fixed-rate financing paid through property tax bill for 20 years	Fixed contract that offers a discount to prevailing electricity tariff for 25 life of system

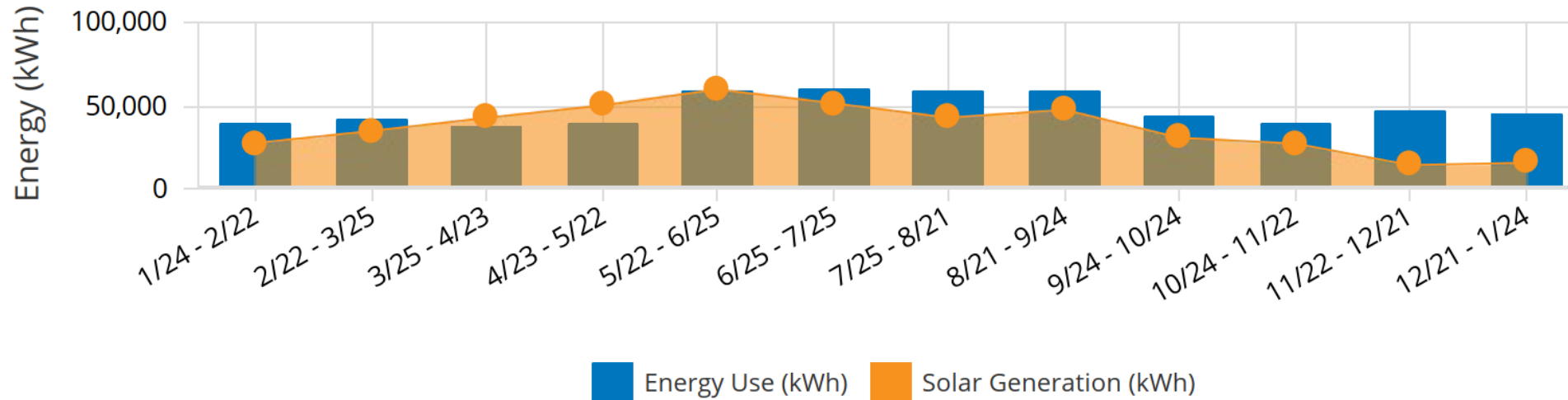
Electricity Bill Savings Keep Costs Low for 25 years+

Electricity Bill Savings from Solar: These come from offsetting your current bill.

- Solar electricity is always used before electricity from the grid.
- Every kWh from Solar replaces one usually taken from the Utility
- Even if solar produces more electricity than a building is using at any given moment, this “excess” solar electricity can be used as a credit to offset future use.

Solar Generation

Monthly Energy Use vs Solar Generation



Maryland SREC Incentives Drive Profitability

Solar Renewable Energy Credits (SRECs)

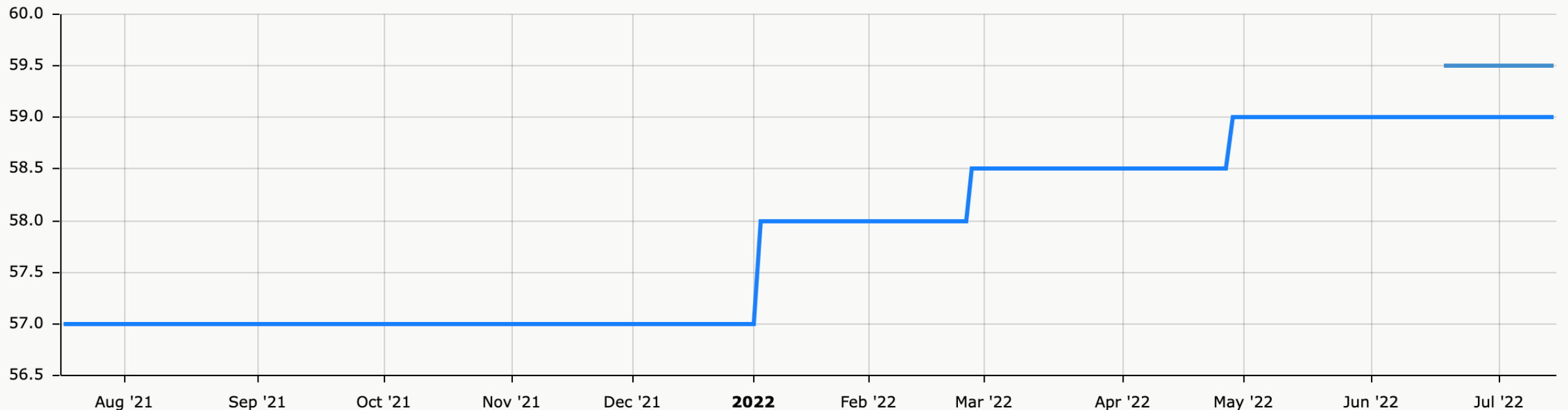
Payment made by state market for each 1,000kWh (1MWh) of solar generated.

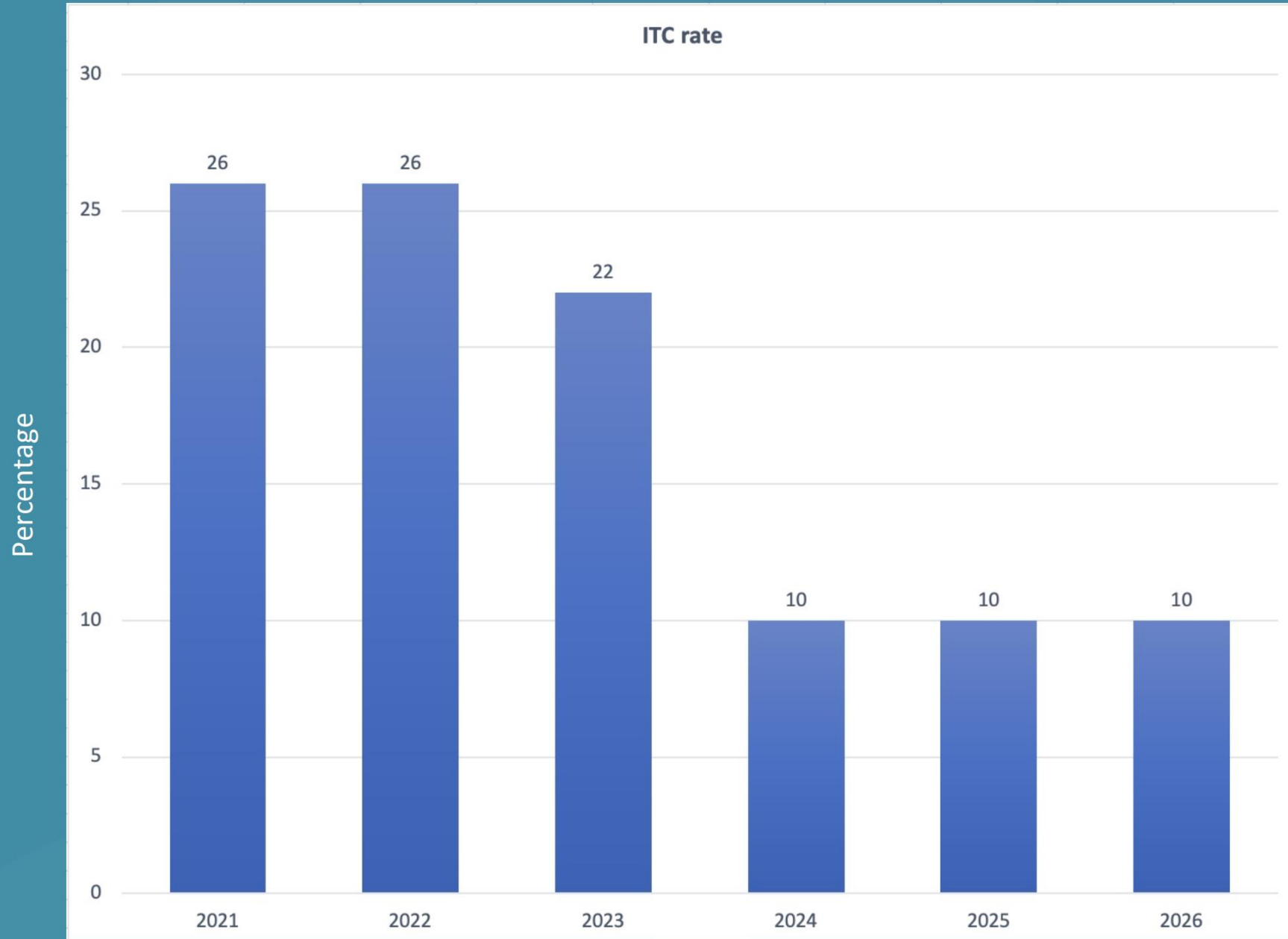
Rates are driven by state renewable energy targets and supply and demand. Maryland, has strong solar targets meaning that SREC pricing is likely to stay high for years to come.

MD

Latest Bid Price: \$59.50

Bid Prices for MD - Last Twelve Months (LTM)





ITC (Federal Solar Tax Credit)
*30% coming soon!

Bonus Depreciation

Solar Monitoring for Display and O&M

