Community Solar Development from Start to Finish

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Blue Zones

Ikigai

translated as: "that which makes life worth living" having a purpose in life.



my Ikigai

To demonstrate and teach

living in balance with the energies of nature





WHY AFFORDABLE SOLAR?

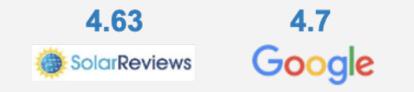




NEW MEXICO

4,000+

LOCAL EMPLOYEES



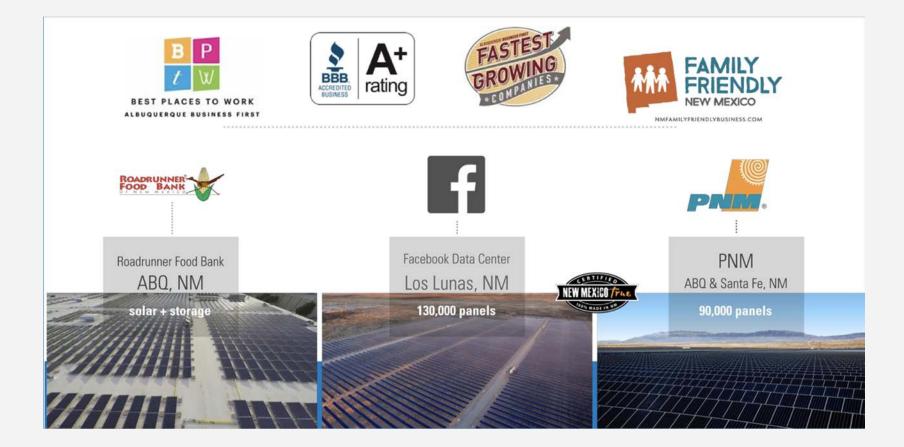
OVER 450 MW'S INSTALLED, WHICH IS APPROXIMATELY 3600 ACRES OR 1.2 MILLION SOLAR PANELS

WE'RE RESPONSIBLE FOR MANAGING, OPERATING, AND MAINTAINING EVERY SINGLE SOLAR PANEL IN PNM'S FLEET









Accolades & Notable Projects





Experience Matters



NEW MEXICO RANK	COMPANY	KW INSTALLED IN NEW MEXICO	% of Total New Mexico Market	PRIMARY MARKET	PRIMARY SERVICE	TOTAL KW INSTALLED IN U.S. IN 2019	OVERALL RANK
1	Affordable Solar	153,519.50	73%	Utility	EPC	153,519.50	26
2	RP Construction Services (RPCS)	16,700.00	8%	Utility	Installation Subcontractor	369,691.00	13
3	DKD Electric	9,690.30	5%	Utility	Electrical Subcontractor	326,410.00	15
4	AUI Partners	8,000.00	4%	Commercial	EPC	120,490.00	28
5	Sol Luna Solar	5,857.00	3%	Commercial	EPC	5,857.00	152
6	PPC Solar	5,302.20	3%	Commercial	EPC	5,302.20	160
7	Positive Energy Solar	5,157.90	2%	Residential	Rooftop Contractor	5,157.90	162
8	Sunpro Solar	2,059.00	1%	Residential	Rooftop Contractor	45,969.50	50
9	ION Solar	1,717.10	1%	Residential	Rooftop Contractor	25,328.70	71
10	Titan Solar Power	1,116.80	1%	Residential	Rooftop Contractor	82,308.40	35
11	Resolute Performance Contracting	771.00	0%	Commercial	Installation Subcontractor	1,376.20	289
12	OE Solar	618.10	0%	Commercial	EPC	618.1	354
13	Solar Smart Living	475.60	0%	Residential	Rooftop Contractor	2,899.70	212
14	GRID Alternatives	26.20	0%	Residential	Rooftop Contractor	8,380.30	123
15	Solar SME	12.50	0%	Residential	Developer	669.1	347
Total		211,023.20				· · · · · · · · · · · · · · · · · · ·	

Why Community Solar





Cost	Output	¢/kWh 25 years		
\$3.5/watt	1.75 kWh/watt/yr	8¢/kWh		
\$1.5/watt	2.3 kWh/watt/yr	2.6¢/kWh		
		affordable solar		

Breaking Down the Solar Industry

Developer: Responsible for all aspects of the solar development process, including securing land rights, interconnection rights, building permits, and property tax agreements; working closely with engineering, finance and commercial teams when a project moves successfully to the 'pre construction' phase; and acting as lead project sponsor for the successful financing and construction of the project.

Engineering, Procurement, and Construction (EPC) Company: Provides end-to-end solar energy services, including designing the system, giving procurement details about the facility, and installing and maintenance the solar array.

Subscription Management: Responsible for administering and soliciting participants. Typically uses a software to manage and bill subscribers in a community solar program.

Community Solar Development Process

Site Selection

Interconnection Pre-Application

Interconnection Application

Land Leasing & Permitting

Financing Options

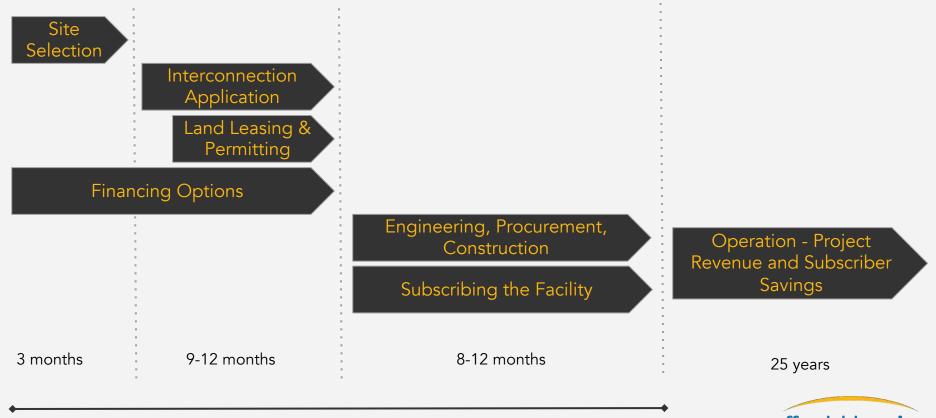
Engineering, Procurement, and Construction

Subscribe the Facility

Operations & Maintenance



Community Solar Development Timeline



Approximately 2 Years Until Project Operation - Could be January 2024

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Site Selection

Interconnection Pre-Application

Interconnection Application

Land Leasing & Permitting

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Operations & Maintenance

Considerations:

Interconnection Viability

Topography

Site shape and size

Cultural Considerations





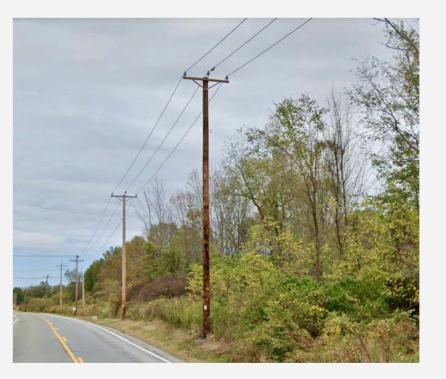


0-1/4 Mile from Three Phase Power Lines

0-5 Miles from Substation









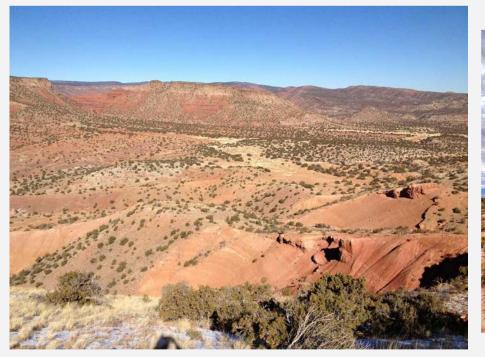


NOT THIS





Site Selection



Mostly flat - small vegetation



NOT THIS







Long East/West or Square



Why Single Axis Trackers







Less Optimal Sites









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Definition:

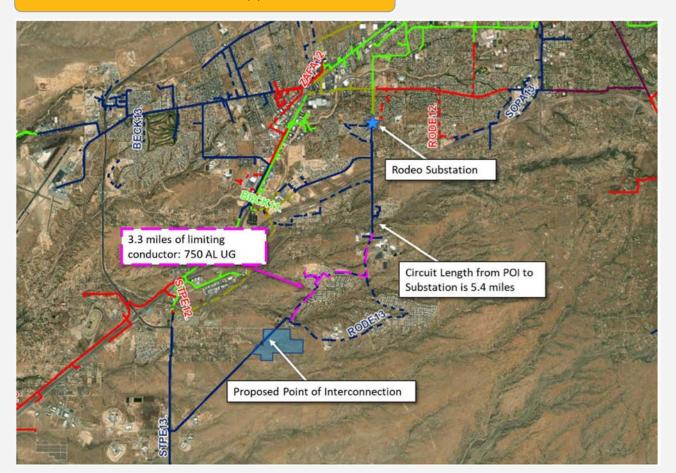
Pre-Apps are to get preliminary "quick" feedback from utilities on viability for sites

Interconnection Applications (ICAPs) are

to apply for permission to operate a system and to receive actual costs and timelines from the utility for any required system upgrades



Interconnection Pre-Application



Standard Timeline:

15 Business Days

Current Timeline:

~4-5 Months



Interconnection Application

ESTIMATE OF SYSTEM IMPACT STUDY COSTS

Standard Timeline:

Group	Activity	Contact		Costs E stimates	
Distribution Planning	Study Report	C. Buck		20	
System Engineering	Protection	R. Petersen		30	
	Contract Management	A. Bueno		16	
		Total PNM Hours		66	
		Estimated Loaded Cost	(\$85/hr)	\$5,610	
Consultant(s)	Conduct Study			\$40,000	
		N M G R T	7.5%	\$3,421	
	D ed uct \$1000.00 D ep o sit			-\$1000.00	
			TOTAL	\$48,031	

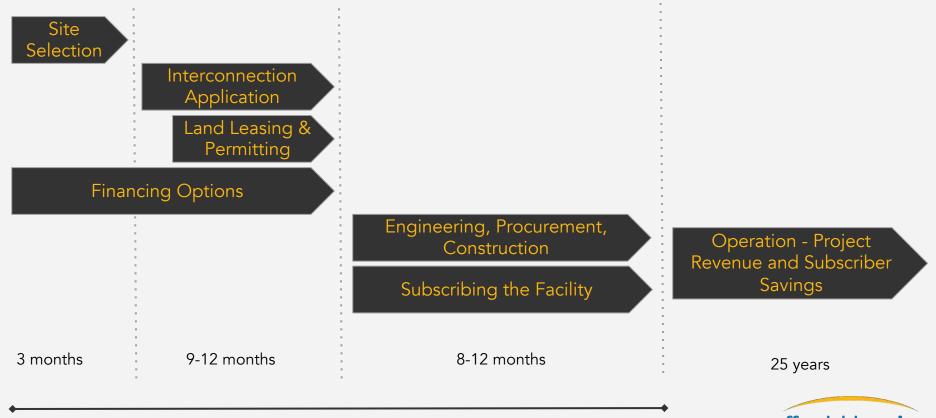
60 Business Days

Current Timeline:

 \sim 5-12 Months

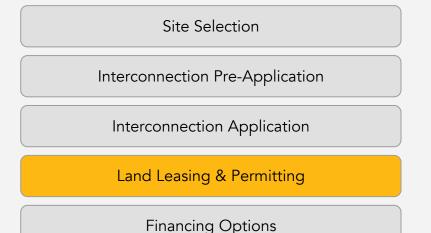


Community Solar Development Timeline



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Engineering, Procurement, and Construction

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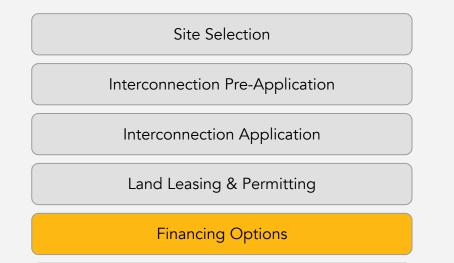
Definition:

Leasing and permitting will be dependent on the type of ownership structure selected for the community solar system.

If a PPA is selected - land will be leased by the system owner.

Permitting is typically taken care of by the Developer and/or EPC.





Engineering, Procurement, and Construction

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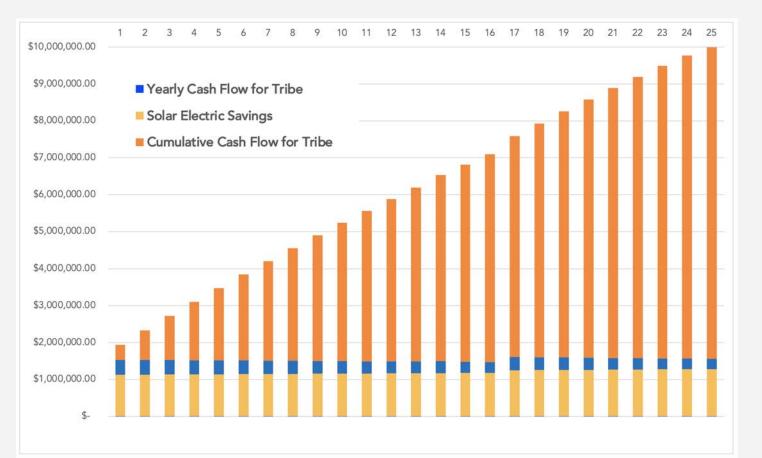
Tribes can select any finance option that will best serve their interests. Options include:

- 100% Ownership supported by a DOE grant
- Partial Ownership with a 3rd party partner
- A power-purchase-agreement (PPA) with no money down.
- A PPA with a prep-payment
- Inverted Lease/Partnership Flip

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• And more

Potential Savings & Cash Flow





Tribal Ownership Definitions & Possibilities

Land:

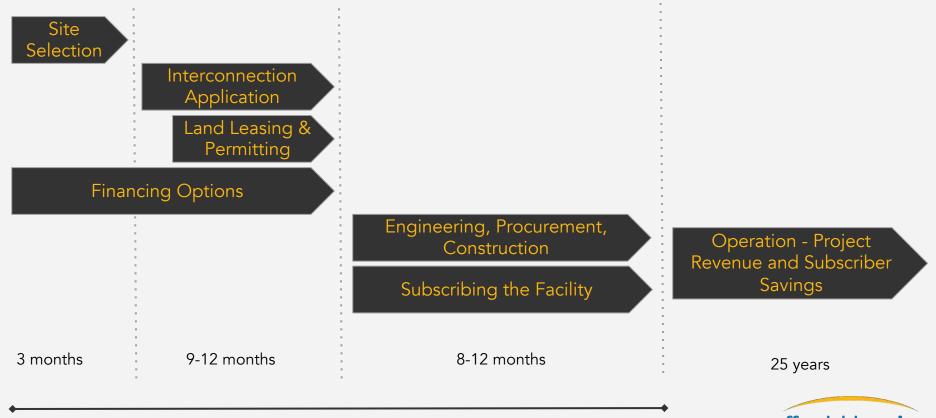
Solar Asset:

Solar Output:

Subscriptions:



Community Solar Development Timeline



Approximately 2 Years Until Project Operation - Could be January 2024

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Site Selection Interconnection Pre-Application Interconnection Application Land Leasing & Permitting

Financing Options

Engineering, Procurement, and Construction

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Operations & Maintenance

Definition:

The design, engineering, and installation of the facility.

Engineering

Civil

Mechanical

Electrical



Engineering, Procurement, and Construction



Job training opportunities such as:

Journeyman Electricians Laborers Foreman Supervisions QC Inspectors **Project Managers Equipment Operators Electrical Helper** Estimators Safety Specialists



Site Selection Interconnection Pre-Application Interconnection Application Land Leasing & Permitting Financing Options

Engineering, Procurement, and Construction

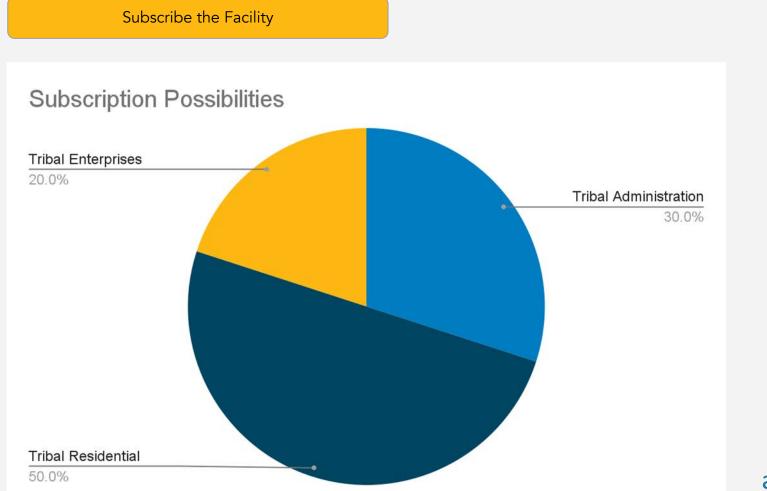
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Operations & Maintenance

Definition:

A Tribe can determine who they want the facility to serve. For example, 50% of the community solar array can provide energy for Tribal residences, 30% for Tribal administration, and 20% for Tribal enterprises, or whatever is most appropriate for the community,







Subscribe the Facility



Site Selection Interconnection Pre-Application Interconnection Application Land Leasing & Permitting

Financing Options

Engineering, Procurement, and Construction

Subscribe the Facility

Operations & Maintenance

Definition:

The facility is operational, generating revenue for the Tribe and savings on electricity bills for all subscribers. The warranty life of the facility is ~25 years.



Our Guiding Principles Working With Tribal Nations

Siting projects respectful of sacred cultural sites, land, and water

Gathering community feedback in project design to achieve the community vision

Providing transparent information about financial and ownership models that will best serve Tribal interests

Commitment to workforce development for Native communities, including a Native preference for hiring on Tribal land

Partnering with Tribal entities and Nativeled organizations Helping advance legislative and regulatory initiatives to support Tribal energy sovereignty

Required cultural-sensitivity trainings for Affordable Solar staff at all levels of project development, from creation to construction



Thank you.

