



# New Financing Options and Tools for Consumers



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# Clean Power Finance Overview

## Solar Providers



Sell, Install and  
Maintain Systems

## Clean Power Finance

DEMAND

Online Marketplace

SUPPLY

Originates Deals,  
Manages Risk and Assets

## Financing Providers



Provide Capital, Own  
Assets

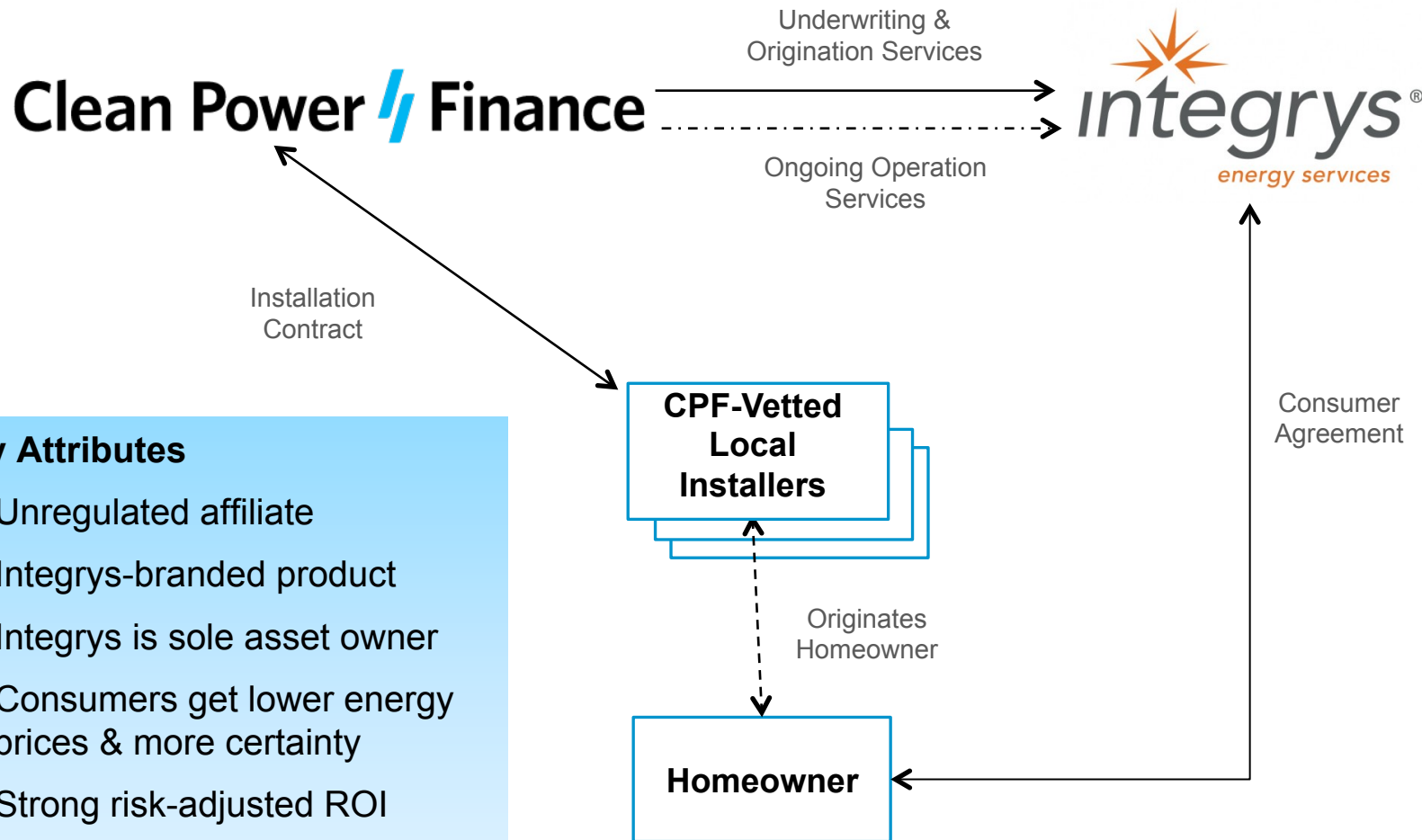
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Solar Providers

## Top Equity Investors



# Utilities Investing in Rooftop Solar

## Financing Structure for IES

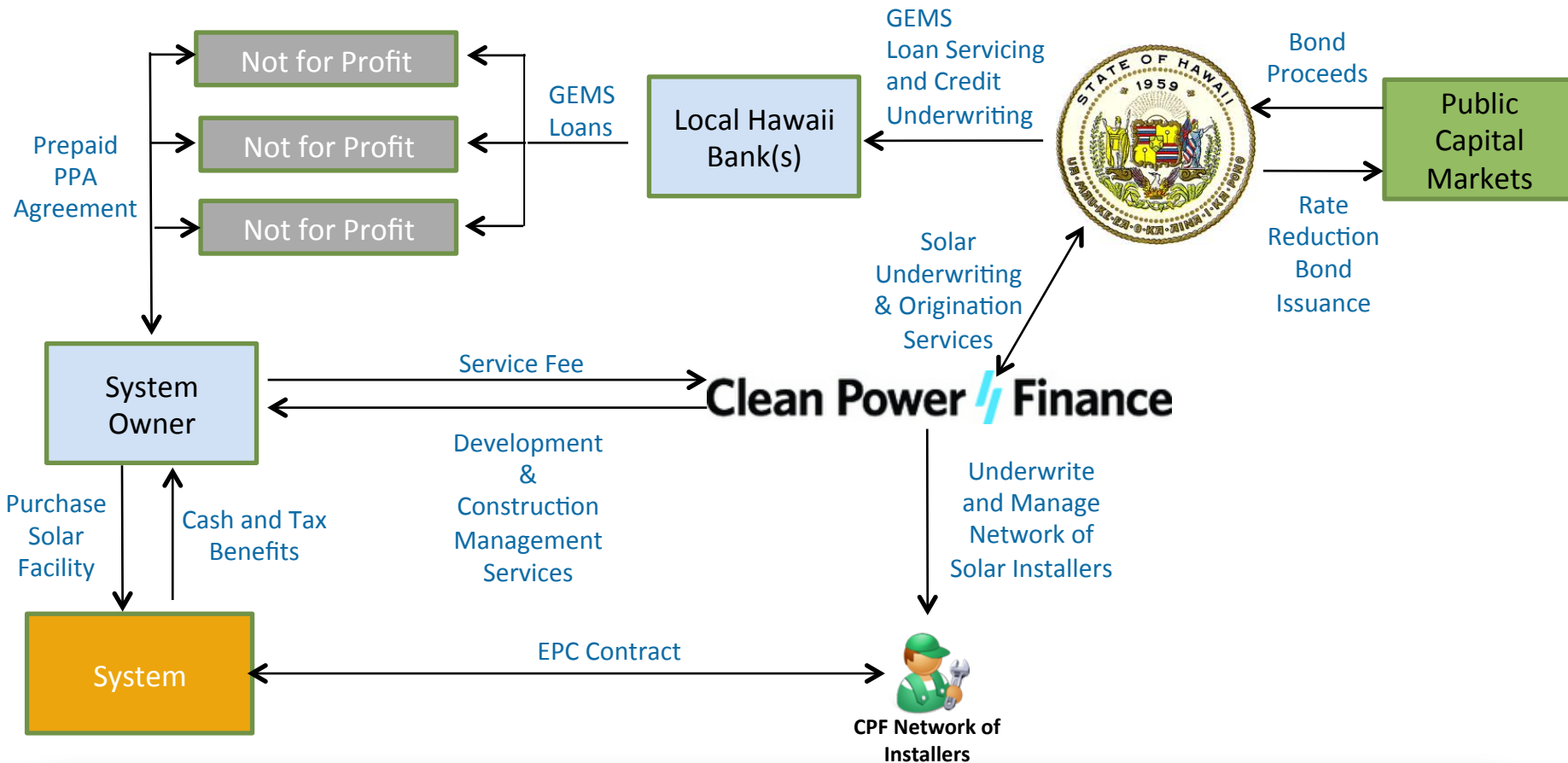


### Key Attributes

- Unregulated affiliate
- Integrrys-branded product
- Integrrys is sole asset owner
- Consumers get lower energy prices & more certainty
- Strong risk-adjusted ROI
- New business insight

# Targeting Underserved Customer Segments

## Hawaii GEMS Structure Diagram



Public-private partnership with the state, taking credit risk in order to provide attractive solar financing to underserved Hawaii non-profits and residents

# Consumer Protection in Solar Contracts

## Solar Energy Finance Association (SEFA)

- CA mutual benefit association formed in 2013
  - Work with NREL to administer consumer solar finance agreement templates
- Goal: Promote solar finance best practices, education, networking and innovation
  - Creates standards, transparency, and consumer protection
  - Templates completed for PPA and leases for vertically integrated and disaggregated solar businesses.
  - “Consumer Best Practices Checklist” now publicly available
- Website: <http://sefa-finance.org>



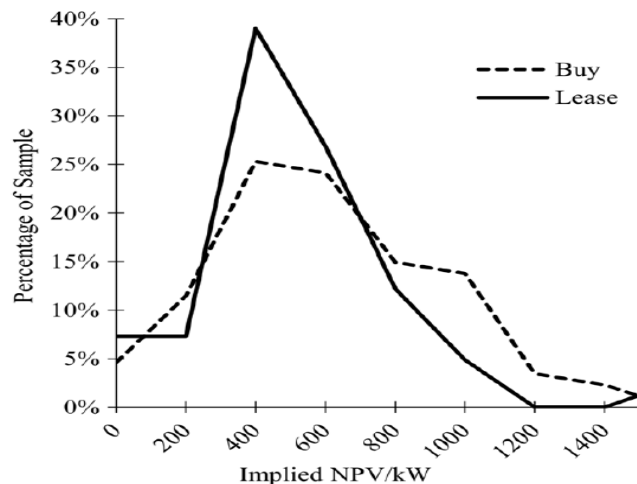


# APPENDIX

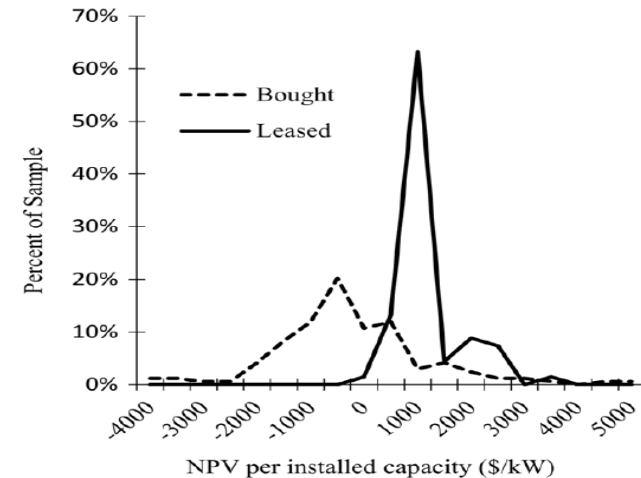
# PV Economics: Lease vs. Own

## Leased Customers Realize Better Outcomes

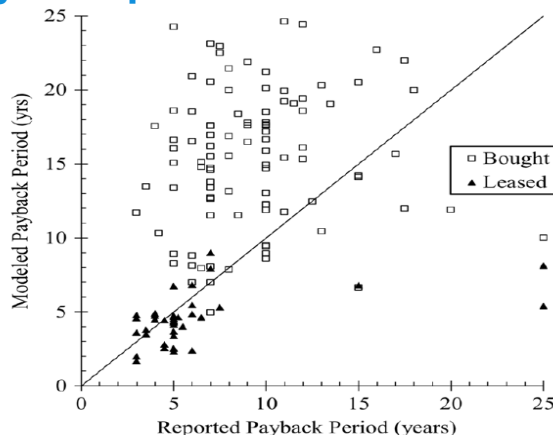
### All PV adopters have similar expectations on returns



### Leased customers have higher returns



### Leased customers have more accurate payback periods



- ~300 customers (mostly Dallas, Austin)
- TPO customers reported tighter cash flow led them to lease rather than buy
- Differences in expected returns for lease vs. own are possibly a reflection of the greater need for precision for lease products.

Source: Rai and Sigrin, 2013

# More Info About SEFA

- Working group started in September 2014
  - Over 30 different solar industry representatives participating
  - Focus on consumer education and regulatory compliance
- Deliverables provided to SEFA members in October 2014
  - Internal Regulatory Compliance Memos
  - Standard contract packet disclosures template
- Information: [info@sefa-finance.org](mailto:info@sefa-finance.org)
- Membership: [membership@sefa-finance.org](mailto:membership@sefa-finance.org)

