

Downtown River Profile for PPA (Power Purchase Agreement)

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Solar Facility: Common Area <ul style="list-style-type: none">• 105 KW System• 81 units – family property	
MASH Rebate	49%
Investment Tax Credit	30%
GAP	21%

Options to Fund Gap:

1. Power Purchase Agreement (PPA) – No Buyout

- a) PPA rate = 8-12 cents/kwh
- b) Escalation of PPA Rate = 3-4%/year
- c) Term of PPA = 18-25 years
- d) Savings (based on average of 10cent/kwh)
 - PV of Savings = \$200,000
 - Cumulative Savings over System Life = \$600,000

Options to Fund Gap:

2. Power Purchase Agreement (PPA) – Prepayment of Power with Buyout in Year 7

- a) Prepayment of Power from Reserves (Gap)
- b) PPA rate = 4-8 cents/kwh
- c) Escalation of PPA Rate = none to 3%
- d) Term of PPA = 18-25 years
- e) Savings
 - PV of Savings = \$240,000
 - Cumulative Savings over System Life = \$850,000
- f) Payback = 6-8 years

Options to Fund Gap:

3. Power Purchase Agreement (PPA) – Prepayment of Power with Buyout in Year 7 – Finance the Prepayment of Power with Debt

- a) Prepayment of Power (Gap). Financed with Debt
- b) PPA rate = 4-8 cents/kwh
- c) Escalation of PPA Rate = none to 3%
- d) Term of PPA = 18-25 years
- e) Savings
 - PV of Savings = \$260,000
 - Cumulative Savings over System Life = \$810,000
- f) Debt = 10 years at 7%