

THE
CADMUS
GROUP, INC.

Making Money While the Sun Shines

Erin Sweet
Energy Services Division
The Cadmus Group

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Overview

- 1. Who is Cadmus?**
- 2. Key Challenges and Best Practices: Lessons From an Owner's Agent**
- 3. Community Solar in Massachusetts Today**



About The Cadmus Group, Inc.

- Watertown, Massachusetts- based energy & environmental consulting firm
- Helped state & municipal clients navigate new issues in solar PV for 10 years
- Developed the nation's first renewable energy tracking and quality assurance system –now used to claim SRECs
- For 40+ communities, we conducted solar PV site assessments, drafted RFPs, supported contract negotiations, and inspected installed systems
- Inspected 150+ PV installations for performance and safety
- Developed innovative ways to protect communities entering into solar PPAs from net metering risk and developer default

Key Challenges and Best Practices: Lessons From an Owner's Agent



**...to project
completion?**

**How do we go from
*concept...***

Key Challenges and Best Practices: Lessons From an Owner's Agent

Planning

- Making the Case for Solar Development
- Building a Project Team
- Designing a Project

Procurement

- Developing an RFP
- Bid Evaluation
- Contract Negotiations
- Project Approval

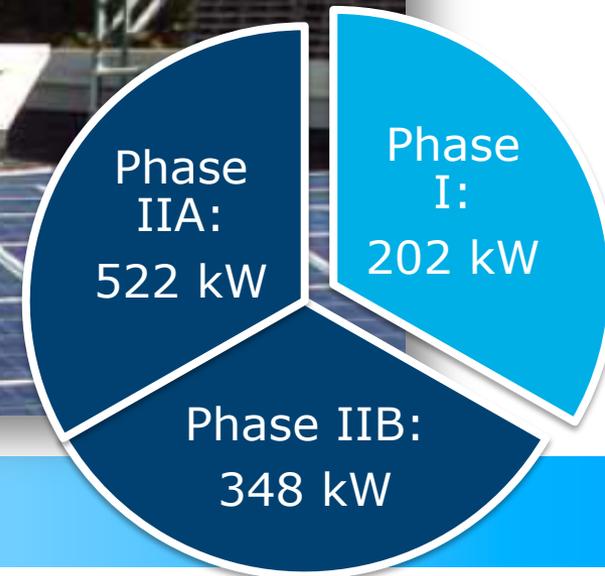
Development

- Safety and Performance of Installed Systems

Key Challenge:

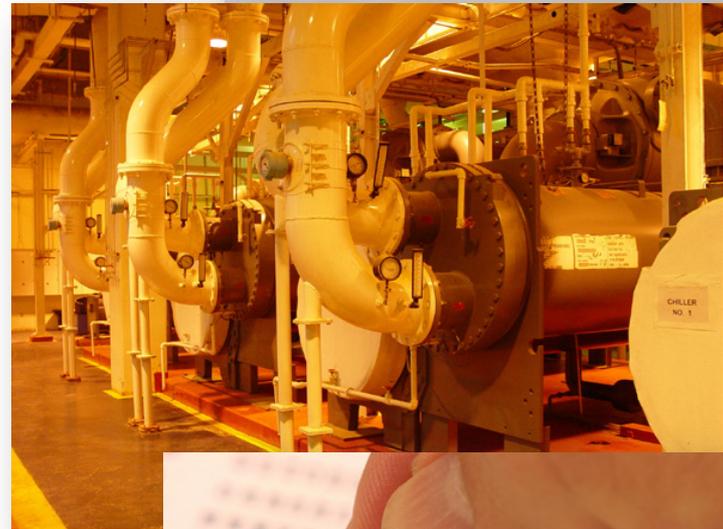
Making the Case for Solar Development

- Economic Benefits
- Environmental Benefits
- Build Momentum for Future Projects
- *Precedent*
- Demonstrate Leadership



Key Challenge: Building a Project Team

- Consider Local Experts
- Seek Diverse Expertise
- Technical Assistance?
- ***Identify a Project Champion***



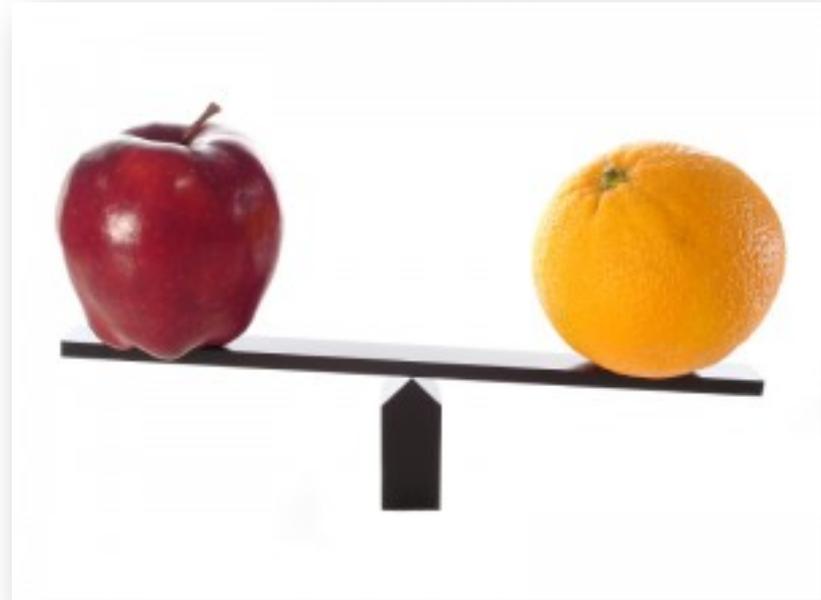
Key Challenge: Designing a Project

- Invite Developers to Meet With Your Team
- Begin Discussions with Your Utility Contact
- Use Free Online Tools
- Lead a Municipal Roof Inventory
- Gather Information on Local Closed & Capped Landfill



Key Challenge: Developing an RFP

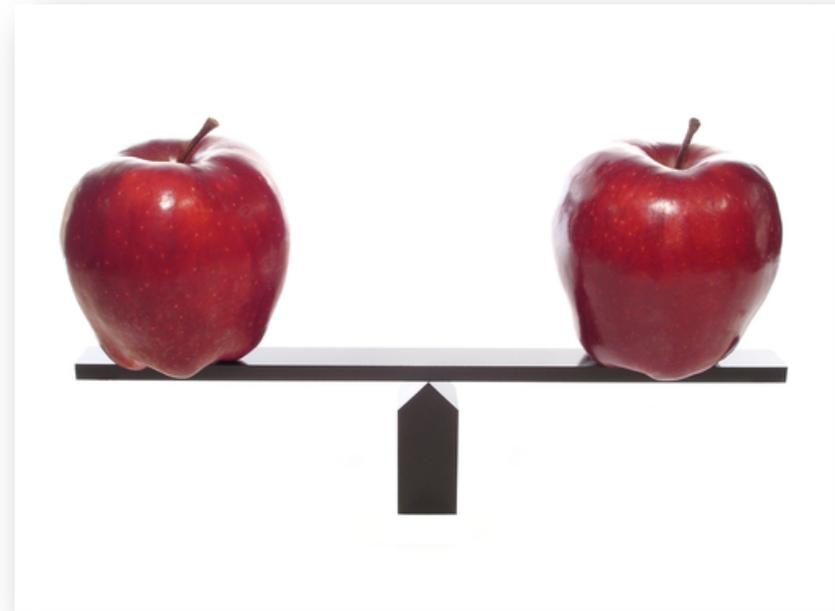
- Understand the Issues
- ***Recognize the Limitations of Templates***
- Set a Realistic Response Timeline
- Include Background Details
- Host a Pre-bid Conference
- Set Your Team up for an Apples-to-Apples Bid Comparison



Key Challenge: Bid Evaluation

Review Vendor Bids for...

- Similar Project Experience
- MA Experience
- Evidence of Due Diligence
- Conservative Assumptions & Timelines
- Understanding of Process
- Benefits to the Community



Key Challenge:

Contract Negotiations

- ***What if our Counsel is not familiar with PPAs?***
- How does the contract address changes in law?
- Does the contract provide for allowed disruption times?
- Are the tax provisions appropriate?
- What additional value-added items can we negotiate?
- Are the early termination provisions fair?
- ***Would we exchange higher risk for a reduced rate?***
- Do we need a default assurance mechanism?

Key Challenge: Project Approval

Be Prepared for the Common Questions...

- *What are the risks to the community?*
- *What happens if the developer defaults?*
- *Why are we signing a PPA with an LLC?*



Key Challenge:

Safety and Performance of Installed Systems

- Ensuring Compliance with Massachusetts Electric Code
- Electrical Inspectors may not be familiar with PV
- Special Considerations for School-sited PV



Community Solar in Massachusetts *Today*

- Less optimistic SREC projections are slowing development
- Development may pick up again in Summer 2012
- ...Use this time to develop an RFP
- ***Confirm developer's assumptions in any PPA under negotiation***



Final Word

- Be an Informed Consumer
... Without Letting Preparation Paralyze Progress
- Take Advantage of Existing Resources
...and Recognize Their Limitations
- Manage the Developer's Progress
...Through Construction Completion

Please Visit Cadmus' Blog

<https://cadmusreblog.wordpress.com>



Thank You

Erin Sweet

Erin.sweet@cadmusgroup.com

(w) 617.673.7101

(c) 407.342.6975