COVER LETTER

November 29, 2016

Town of Bristol, Rhode Island
10 Court Street
Bristol, RI 02809

Town of Barrington, Rhode Island
283 County Road
Barrington, RI 02806

Subject: Invitation for Bid, Request for Qualification/Request for Proposals: Public-Private Partnership for On-Site Solar Projects (BID #850)

Dear Town of Bristol and Town of Barrington,

Sol Systems is pleased to submit the enclosed proposal in response to the Town of Bristol and Town of Barrington's RFP for a Public-Private Partnership for On-site Solar Projects (Bid #850).

Formed in 2008, Sol Systems, LLC provides solar energy development, financing, and asset management services for solar projects for public sector customers, corporations, insurance companies, utilities, banks, and more. Sol Systems submits this proposal with EnterSolar, the EPC partner for the proposed projects.

The enclosed bid details proposed systems to benefit the Towns. Sol Systems and EnterSolar propose to lease land and buildings from the Towns and install and operate solar systems under the Rhode Island Renewable Energy Growth Program with National Grid.

After additional analysis, Sol Systems is also proposing alternative options, which Sol Systems believes maximizes benefit for the Towns, in which systems will be installed behind-the-meter and contracted through traditional Power Purchase Agreement structures. Sol Systems and EnterSolar evaluated each of the sites offered by the Towns, and propose systems at three sites which offer the highest value to the Towns.

Sol Systems will leverage its extensive experience building and financing onsite projects, particularly portfolios of projects for municipalities and government agencies, to deliver the Towns projects that maximize overall benefit. Sol Systems has an experienced team dedicated to project delivery. This team has developed or financed numerous similar projects and portfolios to date, including four systems in Rhode Island.

EnterSolar is a leading solar EPC nationally, particularly in the northeast, and has worked previously as Sol Systems' EPC partner. EnterSolar has an extensive track record of completing systems similar

to those proposed for the Towns. Combined with Sol Systems' strong track record of financing projects, the team of Sol Systems and EnterSolar is exceptionally qualified to develop the proposed systems and, if given the opportunity, can achieve financial close quickly and deliver the projects sought by the Towns.

Sol Systems acknowledges receipt of Addenda 1, 2, 3, 4, 5 and 6. The required bid forms (Attachments A, B, C and D) are included in Exhibit 6 of the Appendix.

Thank you for your time and consideration of this bid response. We look forward to working with you.

Sincerely,

Saritha Peruri
Director, Customer Energy Services

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BIDDER'S BACKGROUND

a. Company ownership. If incorporated, the state in which the company is incorporated and the date of incorporation.

Sol Systems is a privately-held limited liability company (LLC). It was formed in Delaware on May 13, 2008.

EnterSolar is a privately-held LLC. It was formed in Delaware in 2006, with 100% ownership by employees.

b. Location of the company offices.

Sol Systems is headquartered in Washington, DC, with additional offices in San Francisco, CA and Willow Grove, PA.

EnterSolar is headquartered in New York, NY with satellite offices in Newark, Boston, Baltimore, Hartford, and Los Angeles. EnterSolar's projects are located in Rhode Island, New Jersey, New York, California, Connecticut, Delaware, Massachusetts, North Carolina, and Texas. In addition, EnterSolar's MaxSolar Operations and Maintenance Division is based in Edison, New Jersey.

c. Number of employees both locally and nationally.

Sol Systems has 61 employees nationally, none based in Rhode Island.

EnterSolar has a total of 42 employees nationally, with 26 employees in its New York City headquarters.

d. Location(s) from which employees will be assigned.

Sol Systems has a project delivery team located in its Willow Grove, PA office that will provide project managers to oversee and coordinate the project delivery process.

EnterSolar is a registered Rhode Island General Contractor. If awarded the project, its engineering team would work out of the New York City office and one of its New England-based construction managers would lead the EPC process. EnterSolar has a Rhode Island installation partner based in the Providence, RI area.

e. Name, address, and telephone number of the Bidder's point of contact for a contract resulting from this Bid.

The primary contact for this bid is Taylor Leyden, Development Manager for Sol Systems.

Address: 1718 Connecticut Ave, Suite 300, Washington, DC 20009

Telephone: 609-532-6976

Email: Taylor.Leyden@solsystemscompany.com

Company History and Qualifications

f. Company background/history and why Bidder is qualified to provide the services described in this Bid.

Sol Systems Overview

Sol Systems is one of the nation's largest and most successful developers and financiers of onsite solar systems. Sol Systems has developed and/or facilitated financing for nearly 550 MW of solar projects across over 130 installations on behalf of Fortune 100 companies, municipal entities, utilities, and banks. In 2016, Inc. Magazine named Sol Systems on its annual Inc. 500 list of the nation's fastest-growing companies for a fourth consecutive year.

Sol Systems works directly with host customers to develop customized solar solutions that meet their renewable energy goals, including both onsite and offsite applications.

Sol Systems' current projects include an ~18 MW rooftop portfolio across half a dozen sites in New Jersey and Maryland for a leading online retailer, as well as 10+ MW across 37 complex urban rooftop and carport sites for the District of Columbia Department of General Services, which when completed will be the second largest municipal deployment of solar in the country. Sol Systems can leverage this experience to efficiently implement the proposed portfolio for the Towns.

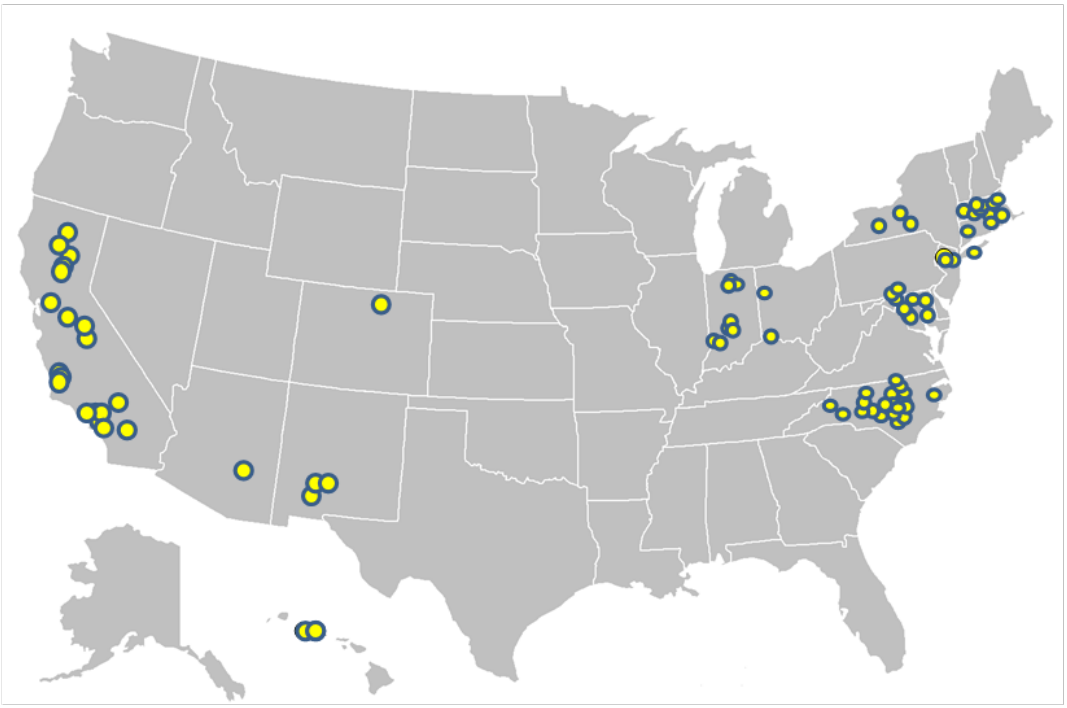
Sol Systems' tailored financial services range from tax equity investments and project acquisitions to SREC portfolio management. Over the past several years, Sol Systems has formed strong working relationships with investors offering takeout finance and tax equity finance. Sol Systems is also currently establishing a sale-leaseback facility with a large, multi-national bank.

Sol Systems' SREC desk aggregates, finances, and manages environmental commodities on behalf of over 7,000 solar system owners. This number has consistently increased since the company's inception, and today, Sol Systems runs the largest proprietary solar REC trading desk in the country.

Sol Systems has developed and/or financed projects in California, New Jersey, Washington, DC, Maryland, Connecticut, Arizona, Hawaii, Indiana, New York, Massachusetts, New Mexico, North Carolina, Nebraska, and Rhode Island.

In addition to project finance and SREC trading expertise, Sol Systems brings technical experience, legal experience, and long-term asset management capabilities to the table. Sol Systems' staff works to uphold rigorous technical standards and is involved in overseeing all phases of the project – from initial engineering to permission to operate. Sol Systems is invested in completing quality projects, as it oversees the operations of many projects in its asset management role.

Figure 1: Sol Systems Project Portfolio



EnterSolar Overview

Founded in 2006, EnterSolar has been a leading United States developer of distributed generation solar photovoltaic systems and has developed a capability that it believes to be unparalleled in the marketplace. EnterSolar was recently ranked the Number 1 solar developer in New York by Solar Power World and the Number 6 commercial solar developer in the United States by Greentech Media.

EnterSolar is unique in its combination of business operations and solar expertise. EnterSolar works closely with clients to deliver optimal solar solutions both technically and financially. EnterSolar provides ground-mounted, rooftop mounted, and carport photovoltaic solutions across the United States for a wide range of clients and industry sectors.

g. Length of time Bidder has been providing services described in this BID. Please provide a brief description.

Formed in 2008, Sol Systems has provided solar development services for 8 years.

EnterSolar has been developing onsite solar projects since its founding in 2006. In total, EnterSolar has developed 72 MW DC of solar projects for its clients.

Solar PV Qualifications

h. Past Rhode Island solar installations and/or examples of prior solar installations on state, quasi-state or municipal properties.

Sol Systems Qualifications

As noted previously, Sol Systems has developed and/or financed solar installations for numerous customers across the U.S. This includes four systems in Rhode Island, amounting to 2.8 MW.

Many of Sol Systems' installations have been completed for municipalities or public sector agencies. The table below summarizes the projects developed and/or financed by Sol Systems over the last three years.

Year	Number of Systems	Total MW
2014	18	52
2015	31	114
2016	61	214

In addition to Sol Systems' extensive experience developing onsite systems, Sol Systems has developed and/or financed many small- to medium-sized ground-mounted projects, similar to the project proposed for the Town of Bristol's closed landfill. Below is a list of selected small- to medium-sized ground-mounted projects developed or financed by Sol Systems. Each of these projects was delivered for a public sector customer like the Towns.

Project Location	System Size (kWdc)
Geneva, NY	2,826
Sampson County, NC	2,698
Houghton, NY	2,620
Dunn, NC	2,462
Rose Hill, NC	2,462
Germantown, NC	2,098
Ithaca, NY	2,033
Truth or Consequences, NM	1,800
Indianapolis, IN	1,250
Glen Arm, MD	1,233
Hurlock, MD	1,083
Fort Collins, CO	971
Alamogordo, NM	939
Boonsboro, MD	937
Middletown, MD	836
Deming, NM	806

EnterSolar Qualifications

EnterSolar is currently developing a 189 kW roof system for Kenyon Consumer Products at their West Kingston, RI location.

EnterSolar has a wide range of experience developing solar projects for commercial and municipal properties. In the past decade, EnterSolar has developed on-site solar projects with several schools, such as Central High School in Newark and The Kent School in Connecticut. EnterSolar is currently developing a solar project for Cornell University's Technical Campus located on Roosevelt Island in New York City.

In addition, EnterSolar developed New York state's first community solar project in the town of Halfmoon. EnterSolar maintains a Rhode Island General Contractor license. For a copy of the license, please see Exhibit 5 of the Appendix.

Bidder must include in his bid a complete disclosure of any alleged significant prior or ongoing contract failures, any civil or criminal litigation or investigation pending which involves the Bidder or in which the Bidder has been judged guilty or liable. Failure to comply with the terms of this provision will disqualify any bid. The Towns of Bristol and Barrington reserves the right to reject any bid based upon the Bidder's prior history with the Town of Bristol or Barrington or with any other party, which documents, without limitation, unsatisfactory performance, adversarial or contentious demeanor, significant failure(s) to meet contract milestones or other contractual failures.

N/A.

BIDDER'S REFERENCES

Bidders should provide a minimum of three (3) references from similar projects performed within the last five years.

The table below includes several references for recent Sol Systems projects. These references are listed in Attachment D of the required bid forms, and are described in detail here to demonstrate Sol Systems' capability to design and follow an overall project schedule and a specific implementation schedule. Selected client testimonials for EnterSolar are include in Exhibit 4 of the Appendix.

Customer Contact	Project Name	Location	Scope of Work/ System Size	Year Completed
District of Columbia Department of General Services (DC DGS) Zach Dobelbower Zach.dobelbower@dc.gov T: (202) 372-6381	DC DGS	37 systems throughout Washington, D.C.	Contract Negotiation, Project management & EPC, PPA Financing 10 MWdc	Underway
Amazon.com Tom Chandlee tchand@amazon.com T: (206) 266-7680	Amazon	6 fulfillment centers in MD and NJ	Contract Negotiation, Development, Project Management, PPA Financing 18 MWdc	Underway
Town of Middletown, MD Andrew J. Bowen abowen@ci.middletown.md.us T: (301) 371-6171 x 12	Middletown	Holter Road Middletown, MD 21769	PPA Financing 836 kWdc	2015

District of Columbia Department of General Services 35-Site Portfolio, Washington, DC

The District of Columbia Department of General Services' solar PV implementation is a portfolio of distributed solar projects, spanning 37 sites, from elementary schools to fire training facilities. The portfolio, which is over 10 MW combined, will be the second largest municipal deployment of solar energy in the US once it is completed. Currently, construction on the overall portfolio is underway with over 20 sites complete.

The DC DGS implementation required a complex, and in many ways unique, PPA. This document was crafted to reconcile the District's requirements for unique appropriations (and non-appropriations) concerns, preserve operational flexibility for its diverse tenant clientele, and permit execution and finance of the PPA for the entire portfolio well in advance of completed site diligence for all sites.

Sol Systems provided co-development and PPA financing services for this highly complex deal. Along with its partner Nextility, Sol Systems brought together two distinct EPCs, one with expertise in the novel high-density high-efficiency TenK solar panels required to achieve economies of scale on the small, scattered sites, and one with a distinct competency in solar carport implementation. The permitting regime was uniquely difficult for these systems, which often required layers of historic and zoning permitting beyond those seen in any other municipality.

Further, a demanding implementation schedule required that dozens of distinct construction projects be completed in less than 12 months. If selected for the proposed projects, Sol Systems will leverage this experience to design and implement an overall project schedule that fits the needs of both Towns.

Amazon Fulfillment 6-Site Portfolio, NJ and MD

The Amazon.com solar PV portfolio consists of six rooftop projects on Amazon Fulfillment centers in Maryland and New Jersey. The portfolio, which is currently under construction, totals approximately 18 MWdc of aggregate capacity and will boast one of the largest single rooftop installations in the US, at around 7 MWdc. Sol Systems provided development and PPA financing services for this deal.

The Amazon implementation required special accommodation for the restricted period after October 31 to account for increased volume during the holiday shopping season. Sol Systems' delivery team took this restriction into consideration and tailored project schedules to address these concerns. In addition, Sol Systems coordinated between various stakeholders to come to an agreed-upon and economically advantageous arrangement for all parties involved.

Town of Middletown, MD

The solar array in Middletown, MD was constructed adjacent to the town's water treatment plant. The array offsets the town's load used at its water and wastewater facilities, and the 20-year PPA saves the town a significant amount on its electricity bill over the life of the contract. The array is 836 kW-dc total. For this project, Sol Systems provided PPA financing services for a local developer partner and worked with various regional partners to successfully deliver the project to the town.

PROPOSED PROJECTS

Project Details

Sol Systems proposes the following systems for the Towns. These systems represent the three highest-value opportunities for the Towns based on Sol Systems' and EnterSolar's careful site-by-site analysis.

Please see Exhibit 1 of the Appendix for conceptual layouts of each system, and Exhibit 2 for PVSYST Reports. Manufacturer Data Sheets are included in Exhibit 3.

Town	Property	System Type	System Size (kWdc)	Estimated Annual Production (kWh)
Bristol	Closed Landfill (Minturn Farm Road)	Ground	4,302	5,704,000
Bristol	Bristol Maritime Center (125 Thames Street)	Rooftop	271	343,400
Barrington	Barrington High School (220 Lincoln Avenue)	Rooftop	368	470,800

Pricing

Sol Systems proposes to own and operate the systems for 20 years under the Renewable Energy Growth Program. Sol Systems will provide the following lease rate to the Towns.

Project	Annual Lease Rate
Bristol Landfill	$223,000
Bristol Maritime Center	$18,500
Barrington HS	$20,400

Alternatively, Sol Systems suggests that the smaller sites will offer the greatest benefit to the Towns as behind-the-meter installations. The PPA rates, assuming successful participation in the Renewable Energy Fund, are below.

This PPA pricing assumes a 20 year term and a 2% annual escalator.

Project	PPA Rate ($/kWh)
Bristol Maritime Center	$0.0540
Barrington HS	$0.0542

The table below outlines the buyout schedule for the proposed projects.

Year	Landfill Lease	Maritime Center PPA	Barrington HS PPA
6	$5,415,938.19	$150,967.68	$230,112.48
11	$4,098,853.04	$124,862.39	$190,483.14
16	$2,359,064.65	$78,261.86	$119,487.48

Assumptions

Annual lease payment amounts that will be available for projects that are bid into the Rhode Island Renewable Energy Growth Program are impacted by various assumptions. The two that likely will impact the lease payment most are ITC ineligible interconnection costs and the PPA rate at which the project is bid into the program. For the large, landfill site, we assume $125k of ITC ineligible costs. For the two rooftop sites, we would assume $50k of ineligible costs. If ITC ineligible costs are less than these estimates, we will increase the lease payment. If ineligible costs are greater than what has been budgeted, lease payments would need to be revised.

In the table above, we are showing the lease payments we could offer if projects were bid into the Growth Program at the 2017 ceiling price for their respective tiers. The landfill project will likely be able to be bid in at or close the ceiling price since, historically, this has been a tier with less projects submitted. The rooftop projects, however, are in more competitive system size tiers and thus, in order for the project to be granted the Growth Program incentive, would likely need to be bid in at reduced rates. Due to this, after conducting NPV analysis, Sol Systems has determined that the rooftop projects would likely yield greater savings for the town if built as behind-the-meter projects.

For the behind-the-meter scenarios in which the rooftop projects were not to be bid into the Growth Program, the Rhode Island Commerce Incentive was assumed. Additionally, Class I NEPOOL RECs were assumed for these pricing scenarios.

All pricing assumes that the projects will be awarded together.

Pricing assumes that property taxes will either be exempt or a zero dollar PILOT will be negotiated with the town, in order to maximize the towns' bill savings and lease payment revenue.

Given the assumption of prevailing wage, a 25% premium was included in our EPC pricing assumption.

Projects are assumed to reach COD by October, 2017. Changes to this timeline would impact pricing.

Buyout values are the greater of fair market value or the price provided above. Buyouts vary by system type and are similarly subject to change as underlying assumptions change.

Decommissioning budget would need to be discussed with the Towns and would impact PPA/lease rates.

Please reach out to Sol Systems with any questions related to our pricing assumptions.

COMMENTS ON TERMS & CONDITIONS

The terms and conditions in the RFP are generally acceptable. Sol Systems makes the following comments:

1. Assignment of Rights or Obligations. Sol Systems intends to be a long-term partner for the Towns. This section is acceptable. However, Sol Systems may seek to finance the project using a third party investor. In that case, Sol Systems may want the ability to assign the PPA or reserve the right to make a collateral assignment later. In either event, Sol Systems is comfortable providing the usual and customary protections for the offtaker. For instance, Sol Systems can agree that assignment shall be made only to entities of equal or greater creditworthiness.

2. Cancellation of the Contract. Sol Systems understands that the municipality may need the ability to cancel the contract without cause. However, because this contract requires a large capital investment by Sol Systems from the outset, Sol Systems would want to ensure that any associated remedies make Sol Systems whole for such investment.

3. Rejection of Work and Rights Reserved. Sol Systems appreciates the importance of these clauses in construction contracts, particularly for contracts through which facilities are being built which the municipality will own. Sol Systems plans to provide the municipality with design review and inspection rights. Here, however, Sol Systems is constructing a project that it will own. Because of this, Sol Systems would need a certain level of autonomy to determine if the system is properly constructed. What Sol Systems can commit to is that the energy it sells under the contract is of the kind and quantity expected by the municipality.

APPENDIX

Exhibit 1: Conceptual Layouts
Exhibit 2: PVSYST Reports
Exhibit 3: Manufacturer Data Sheets
Exhibit 4: EnterSolar Selected Client Testimonials
Exhibit 5: EnterSolar Rhode Island General Contractor's License
Exhibit 6: Required Bid Forms – Attachments A-D