

May 24, 2018

Islesboro Central School
195 Alumni Drive
Islesboro, ME 04848

Dear Ryan Martin and Patrick Philips,

We at ReVision genuinely appreciate the opportunity to provide this Solar Power Purchase Agreement (PPA) proposal to the Islesboro Central School for a 60.72 kilowatt (kW) grid-tied solar electric array located beside the school garden. The project will generate an estimated 76,911 kilowatt hours (kWh) of clean solar electricity per year, helping to reduce the School's energy costs and eliminating roughly 80,757 lbs. of CO2 emissions annually.

Under the financial structure that we are offering, there is no upfront cost to the School. Instead, once you are comfortable with the offer we are making and you decide to accept, we will collaborate with one of our Maine Impact Investors who will then finance, build, own and operate the solar array on your property. You will license the site needed for the solar array to the Impact Investor and you will agree to purchase all the electricity generated by the system. ReVision and its Investor partner will take care of all the rest. It is important to note that the site work to provide the open area, remove the 4 tallest spruce trees and install a new buried conduit from the pole to the array are not included. We are happy to provide direction and coordinate this work.

After 5 years, you will have an opportunity to decide whether you would like to purchase and own the solar array and close out the PPA agreement with the Investor. If you decide to exercise this early buyout option, there is no further payment to either the utility or to the Investor for the solar electricity delivered by the array. You will have several buyout opportunities over the life of the contract, but you may decide to keep purchasing solar electricity from the Investor for the full 25 years, after which you will have two options for 5-year extensions. If you decide to keep buying solar electricity from the Investor until the very end, you can then choose to either have the system removed for free, or purchase it at a nominal salvage cost. In nearly all instances the system will continue to produce energy for another 15-25 years, at more than two-thirds of its productivity when new. The durability of solar equipment, when properly installed, is truly remarkable.

The attached proposal compares the value of a solar PPA to an outright purchase, and explains the PPA electricity price schedule offered so that you can best understand why this solar PPA is a great way to lock in energy cost reductions for decades while providing clean renewable energy to meet your needs.

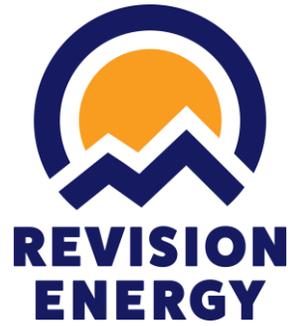
ReVision Energy deeply admires the School's leadership in the effort to lower northern New England's carbon footprint and to aid our transition to clean energy. It is our hope that this project will both reward and aid you in those efforts! Please let us know if we can provide any additional information. I am honored to be a part of this project.

Sincerely,

T.L. Tutor
Solar Design Specialist, ReVision Energy

Solar PPA Proposal for the Islesboro Central School

By



May 24, 2018



Figure 1: Engineer's rendering of proposed 60.7 kW ground mounted Solar Array.

SOLAR PPA PROPOSAL FOR THE Islesboro Central School

Project Summary

This project is quite comparable to the previously proposed rooftop array. While this ground mounted system is slightly more expensive per panel, each panel produces slightly more electricity which results in very similar economics. Ryan Martin encouraged the use of part of the garden space for this project and we are confident this is the optimal ground mounted system design for the school.

The array will include approximately 176 Tier 1ⁱ solar panels, 6 inverters, a smart meter and real-time monitoring via the internet. The project will generate an estimated 76,911 kilowatt hours of clean solar electricity per year, helping to reduce the School's energy costs and eliminating roughly 80,757 lbs. of CO2 emissions annually.

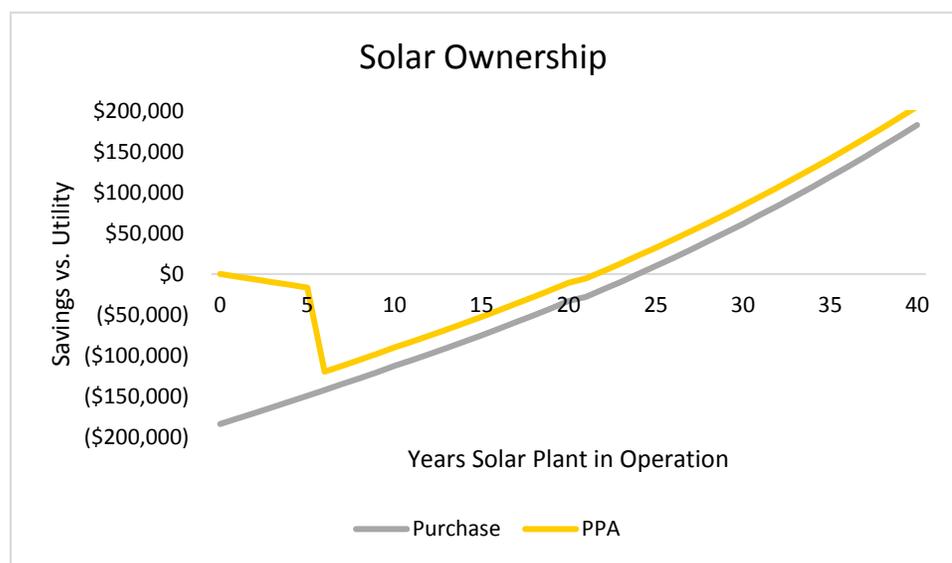
Solar electricity production from every panel is warranted by the manufacturer for 25 years, and the expected useful lifespan of the equipment is 40 years or longer. With minimal maintenance other than a possible low-cost inverter replacement after 20 years, solar systems will provide a long term supply of trouble-free renewable energy.

Zero Up Front Cost

Under the proposed Solar Power Purchase Agreement (PPA) financial structure, there will be no upfront cost to you for this \$183,829 project. Rather, our Impact Investor partner will finance, own and operate the solar array on your property for a contract term of 25 years, with options for an early purchase beginning after year 5, and with options for two 5-year extensions. You will simply purchase the solar electricity generated by the system under the PPA rate schedule listed on page 2.

A PPA is the Most Cost Effective Way to Buy Solar Electricity

PPA financing enables the project to benefit from federal solar tax credits, which can substantially reduce overall costs for you. There is never any obligation to purchase the project, but generally, the earlier you exercise your buyout option, the larger the lifetime project savings, and so we encourage you to consider that option. As shown in the accompanying graph, the PPA coupled with an early buyout results in a significantly more favorable cash flow position than a cash purchase on day one.

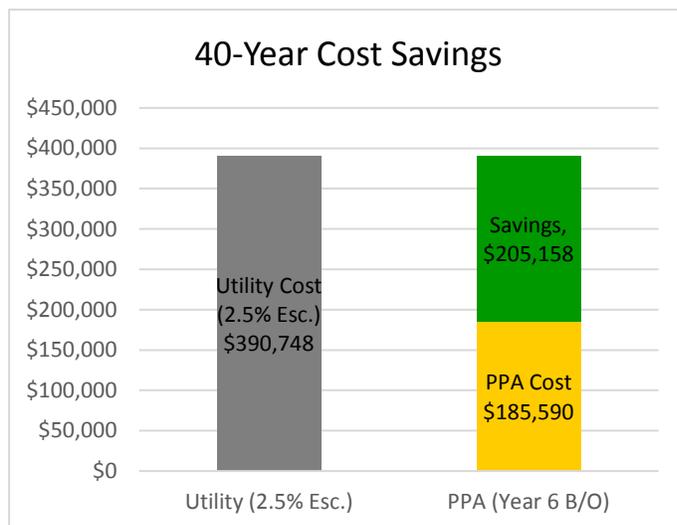


Solar Electricity Price

ReVision’s Impact Investor partner will confirm financing for the solar PPA and sale of electricity generated by the solar project to you at rates specified in the electricity price schedule below once you have accepted this proposal. Our goal is to design a rate schedule that best suits the goals of the School--to fulfill its commitment to sustainability and to reduce its long term energy costs--while simultaneously designing an investment that is financeable by an Investor partner. Our mission in offering solar PPAs is to make solar electricity as convenient and easy to understand as grid electricity – but without any of the associated pollution and without the uncertainty about future prices that is inherent in electricity from the grid. The solar electricity price is as follows:

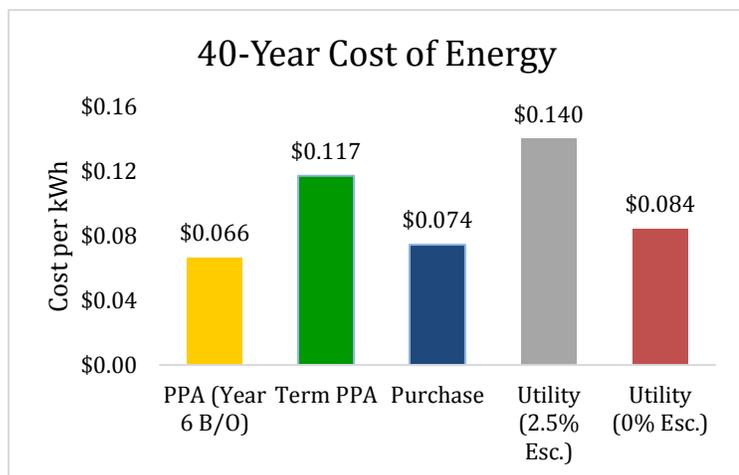
	For the first 2 Years (\$/kWh)	Fixed rate increase, regardless of inflation After Y2	Estimated Buyout Year 6 ⁱⁱ
SOLAR	\$0.129	2.0%	\$110,297

Note: this price is valid for 30 days from the date of this proposal and is contingent upon securing project financing.



The solar price schedule is designed to start close to current utility rates. This solar price will also rise slower than historical utility rates (3.7% per yearⁱⁱⁱ) and slower than projected future utility rates (2.5% per year^{iv}). In addition, locking in a consistent 25-year energy price schedule offers a predictable electricity budget over the lifetime of the PPA. And finally, an early buyout offers a pathway to ownership that costs pennies on the dollar versus an upfront purchase of the same solar energy project, and allows you to maximize your long-term energy savings.

A Solar PPA Has the ideal Cash Flow Structure for schools and non-profits, with zero upfront investment, and is a great way to lock in low electricity prices. A solar PPA with an early buyout provides substantial electricity savings when compared to buying electricity from the utility. If an early buyout is not feasible, taking the PPA contract to its 25-year term will lock in an electricity price that is still significantly lower than expected utility prices over the system lifetime, including conservatively assuming that a full inverter replacement will be required in the twentieth year.



A Solar PPA is a contract between you and your Investor, with both parties having responsibilities under that agreement. In capsule summary,

Islesboro Central School:

- You license the space required for the solar installation to the Impact Investor for \$1/year;
- You purchase the solar electricity generated according to the price schedule;
- You obtain a net metering agreement with the utility, which ReVision will arrange for you;
- You add a liability insurance rider to your regular coverage.

Your Investor:

- Owns and operates the installed solar system for the duration of the PPA contract, either 25, 30 or 35 years, or until you exercise a buyout option;
- Registers the system with NEPOOL-GIS in order to sell the Renewable Energy Credits;
- Maintains the system while under their ownership (no maintenance costs to you);
- Fully insures the system for both property and liability.

When you notify ReVision that you are ready to proceed, we will collaborate with our chosen Investor partner, who will complete its project due diligence and provide a draft PPA contract for your review. Once the PPA contract is finalized and signed, ReVision will complete permitting with local and state authorities, and will file the interconnection application with the utility. Then ReVision will purchase the equipment and schedule the installation. Our usual timing from PPA signature to project completion is 180 days.

About ReVision Energy & Our Mission

Since 2003, ReVision Energy has installed more than 7,000 solar photovoltaic systems in Maine, New Hampshire and Massachusetts. To ensure maximum performance and longevity in our harsh climate, each system is designed by ReVision engineers from Brown, Dartmouth, MIT, UMaine and UNH and installed by our in-house team of licensed, professional solar technicians. The company mission is to lead the region's transition from a fossil fuel based economy to a sustainable, renewable energy based clean economy. Our solar energy solutions provide our partners with viable, long-term plans for responsible energy consumption and for recurring savings with zero up front capital costs. Today northern New England has the highest per capita carbon pollution on the east coast—every solution we provide at ReVision Energy is laser-focused on reducing greenhouse gas emissions and ensuring a sustainable future for generations to come. ReVision Energy is a certified B-corp and is 100% ESOP-owned.

ⁱ http://about.bnef.com/content/uploads/sites/4/2012/12/bnef_2012-12-03_PVModuleTiering.pdf

ⁱⁱ Pursuant to IRS rules, future buyout estimates may be expressed as an amount equal to the greater of Fair Market Value or a schedule of values. See IRS Publication 561: <https://www.irs.gov/publications/p561/ar02.html#d0e139>

ⁱⁱⁱ US Energy Information Administration, July 13, 2016. http://www.eia.gov/electricity/data/state/avgprice_annual.xls

^{iv} US Energy Information Administration, Annual Energy Outlook 2015, "Table 8. Electricity Supply, Disposition, Prices & Emissions", April 14, 2015. http://www.eia.gov/forecasts/aeo/tables_ref.cfm