Site Visits were conducted in November and December 2015
Each visit was documented the following:
- Height/No. of floors
- Roof Age and Condition
- Roof Size
- Electricity Consumption and Main Electrical Panel Location
- Roof Access and Any Roof Obstructions
Initial industry research centered around finding area solar companies:

- Which companies excel at large vs. small projects
- Companies that provide integrated installation and warranty support
- Companies that offer direct purchasing and/or other ownership arrangements
- Allows TTC tax credit and financial incentive maximization
STEP THREE: SOLAR COMPANY INTERVIEWS
EXPANDING SOLAR PORTFOLIO

Following Initial Research, project review meetings, solar company recommendations are based on how well each individual matches up with each project.

Prospect Solar ideal for The Blair House solar project:
- New subsidiary of a company that has history with TTC
- Prospect Solar has roots in commercial building construction
- Perfect for The Blair House as window washing anchors need to be installed without impact solar panel footprint, all work accomplished under one contract
STEP THREE: SOLAR COMPANY/PROJECT SELECTION

EXPANDING SOLAR PORTFOLIO

Traditional Solar, prefer larger projects
Large Field owned by TTC
Direct Purchase Solar System
Project on-hold until clearance obtained from company partnerships
STEP THREE: SOLAR COMPANY INTERVIEWS

EXPANDING SOLAR PORTFOLIO

Prospect Solar also recommended for The Pearl
Unique integration of Green Roof and Solar Panels
Special Stormwater Permit variance required from Montgomery County
Most green roof interference must be 7 feet away
THE PEARL: PROJECT DETAILS
THE TOWER COMPANIES: 2016 SOLAR PROJECTS

- System Size: 3.4 kW
- Panels: 327 W, Sun Root Integration
- Solar Generation: 4,562 kWh, 0.6%
- Hard Cost: $14,280
- Soft Cost (Permit Variance): $5000
- Total Cost: $19,280
- Federal Tax Credit: $5,784
- Payback: ~8 Years with DC SRECs
- Payback: 14 Years with MD SRECs
### Example Pro Forma: Breakdown

**The Tower Companies: 2016 Solar Projects**

<table>
<thead>
<tr>
<th>Initial Capital Investment</th>
<th>Energy Consumption &amp; Generation</th>
<th>Assumptions</th>
<th>Return on Investment Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. System Size (kWp) using 287% SunIVA Project 3.4</td>
<td>Estimated Annual Energy Consumption (kWh): The estimated annual consumption is 3,678,310 kWh. The energy rate in the Energy model by default is $0.1499 / kWh, so $536,389 annual electricity billing. The approximate conversion area usage is 736,000 kWh, so 20.5% ($10,973). (Reference LEED Online)</td>
<td>Electricity Rate</td>
<td>Simple Payback (after tax) 8 years assuming $5,000 soft costs</td>
</tr>
<tr>
<td>Total Hard Costs (Paid to Solar Company) $14,280.00</td>
<td>736,000</td>
<td>3%</td>
<td>IRR after 20 years 6.59% assuming $5,000 soft costs</td>
</tr>
<tr>
<td>Total Soft Costs for County Approvals $5,000.00</td>
<td></td>
<td>Annual Solar Degradation 0.7%</td>
<td></td>
</tr>
<tr>
<td>Total Project Cost $19,280.00</td>
<td></td>
<td>Tax Rate 42%</td>
<td></td>
</tr>
<tr>
<td>Approx. Cost per W $4.26</td>
<td>% Energy Offset by Solar 0.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Yearly Breakdown

<table>
<thead>
<tr>
<th>Year No.</th>
<th>Project Cost</th>
<th>Annual Electricity Generation (kWh)</th>
<th>Electricity Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Electricity Savings (Avoided Cost) - Assume $0.1240/kWh with 3% Inflation</th>
<th>DC SACP (Penalty) Schedule (per MWh) Assume $50 from 2013 and beyond</th>
<th>DC SREC Sales - Assume 3.55% (7% to 7%) Year: Combo from Solar Systems (1 SREC = 1 MWh)</th>
<th>Total Avoided Electricity Costs &amp; SREC Revenue</th>
<th>Cost of Revenue (SREC processing, 2% of Sales)</th>
<th>O&amp;M Expenses</th>
<th>Total Expenses</th>
<th>Net Earnings/Savings Before Taxes &amp; Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accelerated Depreciation (up to 82% over 6 years)</td>
<td>Net Earnings Before Taxes</td>
<td>Tax Savings/Deficit (from net earnings before taxes)</td>
<td>investment Tax Credit (10%)</td>
<td>Cumulative Cash Flow</td>
<td>Payback (Cumulative % Return)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

---
STEP FOUR: SOLAR CO. SELECTION & INSTALLATION

EXPANDING SOLAR PORTFOLIO

Projected Start Dates:
The Pearl: Summer/Fall 2016
The Blair House: Q4 2016 (proposed status)
The Tower 1 Field: 2017 (proposed status)
QUESTIONS?

THE TOWER COMPANIES: SOLAR POWER PORTFOLIO EXPANSION
THE BLAIR HOUSE: PROJECT DETAILS
THE TOWER COMPANIES: 2016 SOLAR PROJECTS

- System Size: 103 kW with 5 degree tilt
- Panels: 327 W, Ballasted
- Solar Generation: 124,156 kWh, 6.5%
- Cost: $340,000
  Required Roof Anchor Installation:
  - Anchor Design: $3,225
  - Installation: $45,000
  - Roof Repair: $35,000
  - Total Cost = $80,000
- MEA Grant: $6,000
- Federal Tax Credit: $101,953
- Annual Energy Savings: $15,000
- Total SREC Sales: $132,378
- Total Depreciation: $84,324
- Payback: ~ 6 Years with DC SRECs
TOWER 1 FIELD: PROJECT DETAILS

THE TOWER COMPANIES: 2016 SOLAR PROJECTS

- System Size: 4 kW
- Panels: 327 W, Sun Root Integration
- Solar Generation: 5,290 kWh, 0.2%

- Cost: $19,239
- Permit Variance: $5000

- MEA Grant: $240
- Federal Tax Credit: $5,772
- Annual Energy Savings: $650
- Total SREC Sales: $2500
- Total Depreciation: $5306
- Payback: < 11 Years with DC SRECs