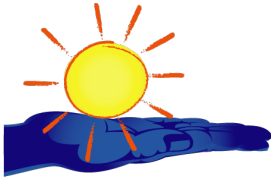


SOLAR POWER & LIGHT

Putting Power in Your Hands™

Solar Energy System Executive Summary





SOLAR POWER & LIGHT

Putting Power in Your Hands™

November 4, 2022

Re: Solar Power and Light proposed Solar Energy Project for **City of Franklin**

Dear City of Franklin Executive Team:

Solar Power and Light (SP&L) is pleased to summarize an opportunity to bring a solar energy system project to the City of Franklin Water Plant.

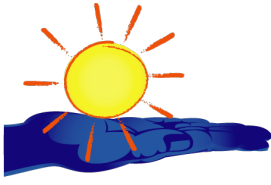
SP&L is a strong and reliable Development, Finance and Construction Company and is well positioned to execute on this project, and as such will leverage:

1. Its management team that has been managing multimillion dollar technology-based projects for almost two decades, built a diversified portfolio of solar assets around Ohio, and relevant development, construction, operations and financing experience within the solar industry,
2. An innovative operating methodology called Integrated Development Teaming™ (IDT); SP&L's proprietary approach to creating best in class teams, for the purpose of building commercial and utility scale solar plants, and
3. Its operational experience of having serviced and managing over 11 MW of solar assets, to ensure the system(s) runs smoothly throughout its 25+ year lifecycle.

The following pages summarize the project...

Sincerely,

Brent Boyd, COO
Solar Power and Light



SOLAR POWER & LIGHT

Putting Power in Your Hands™

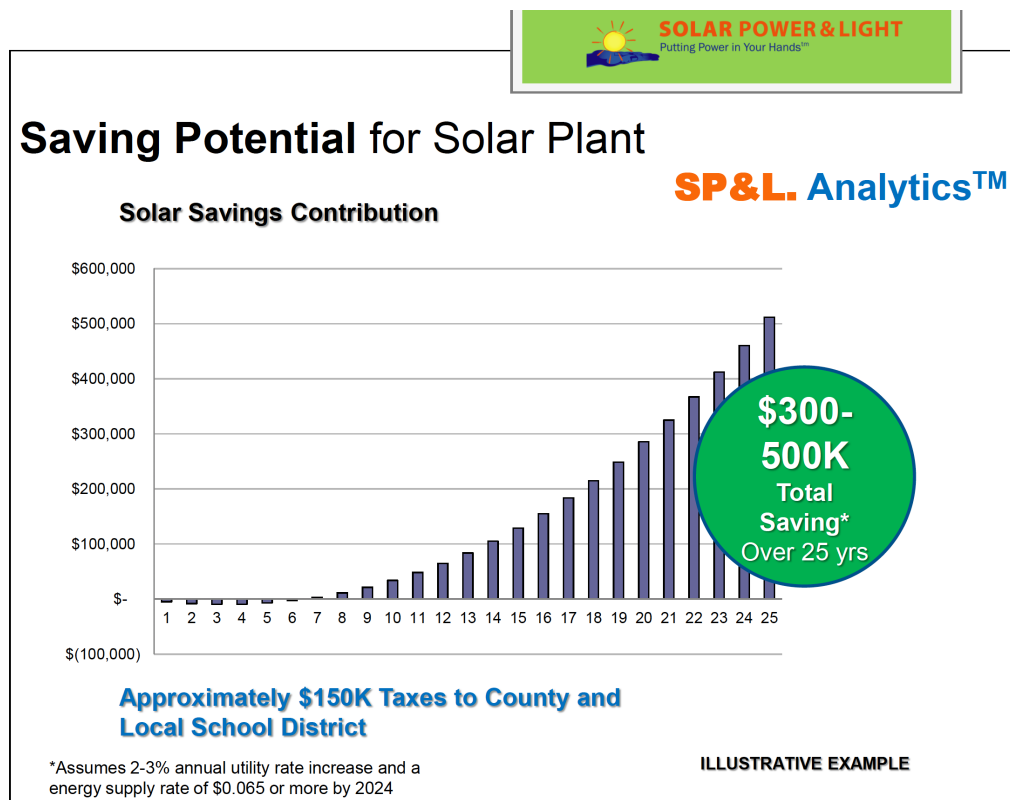
Overall Strategy for City of Franklin:

Reduce Energy Cost and Provide a 25-30 Year Fixed Energy Budget ...

- ✓ Install Solar on land adjacent to building to power Water Plant (see Appendix B)
- ✓ Combined size of solar would be approximately 810 kW solar energy system.
- ✓ A system of this size produces approximately 1,017,000 kWh of energy per year or 61% of the total energy consumed by the Water Plant. Note that the total energy consumed at the Water Plant is approximately 1,664,000 kWh per year.

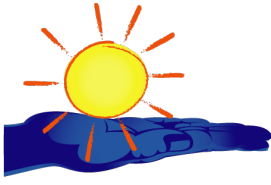
Saving Potential for City of Franklin...

- ✓ Over 25 years the city will save an estimated \$300K – 500K dollars in energy cost
 - Chart below shows 25 years of estimated energy cost savings



Confidential - Property of Solar Power & Light

- ✓ Indirect Benefits to the City contributed from solar
 - Re-investment of savings
 - Platform for new and enhanced education programs
 - Lower energy bills and operating cost
 - Increased Marketing Value:
 - PR
 - Sustainability



SOLAR POWER & LIGHT

Putting Power in Your Hands™

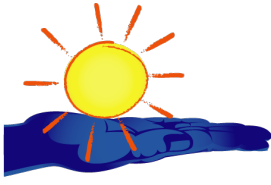
SP&L. Money Services provides...

- Power Purchase Agreement w buyout provision
 - ✓ 7.5 – 8.0 cent PPA Rate over 25 – 30 years

Power Purchase Agreement (PPA) is an Energy Contract whereby SP&L will...

- ✓ Develop Solar Project with site location
- ✓ Secure funding,
- ✓ Design and complete construction,
- ✓ Provide operations/maintenance services,
- ✓ Bears all the risks for the solar facility for life of contract
 - NO Out-of-Pocket Capital Cost Required*
 - Only be Required to buy the electricity from the solar array on a contract basis over a period of 25-30 years*

Note: See the Solar Energy Industries Association description of a PPA in Appendix A



SOLAR POWER & LIGHT

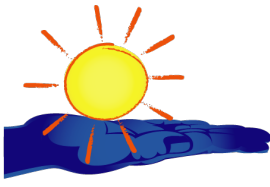
Putting Power in Your Hands™

Next Steps...

- ✓ Commitment from City of Franklin via...
 - Signed Letter of Intent (DONE)
 - PPA Contract Review Process Initiated
- ✓ SP&L Refines Assessment and Finalizes Contract Terms
- ✓ City Signs PPA Contract
- ✓ SP&L Secures Financing
- ✓ Construction Process Initiated
 - Permitting/Zoning, Procurement of Material, Boots on Ground

SP&L is a Seasoned Solar Development Partner





SOLAR POWER & LIGHT

Putting Power in Your Hands™

APPENDIX A – Power Purchase Agreement (PPA) Details



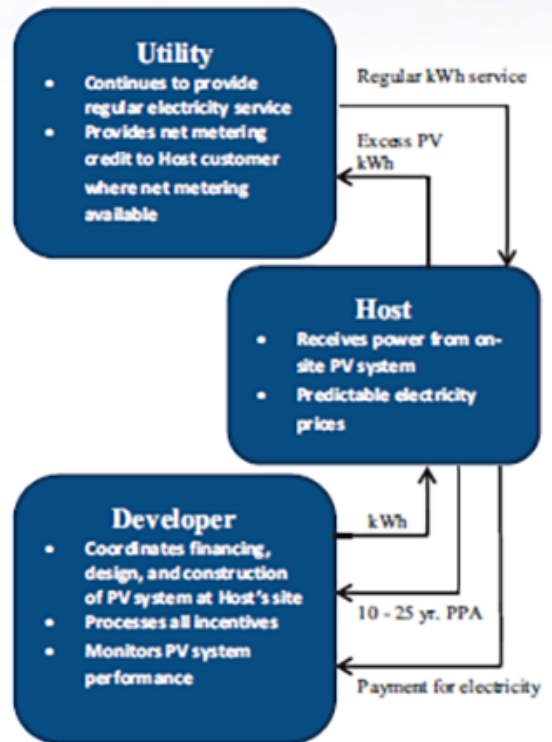
Solar Power Purchase Agreements (PPAs)

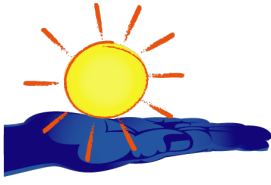
What is a solar power purchase agreement?

A solar power purchase agreement (PPA) is a financial agreement where a developer arranges for the design, permitting, financing and installation of a solar energy system on a customer's property at little to no cost. The developer sells the power generated to the host customer at a fixed rate that is typically lower than the local utility's retail rate. This lower electricity price serves to offset the customer's purchase of electricity from the grid while the developer receives the income from these sales of electricity as well as any tax credits and other incentives generated from the system. PPAs typically range from 10 to 25 years and the developer remains responsible for the operation and maintenance of the system for the duration of the agreement. At the end of the PPA contract term, a customer may be able to extend the PPA, have the developer remove the system or choose to buy the solar energy system from the developer.

Benefits of PPAs to Solar Customers

- **No or low upfront capital costs:** The developer handles the upfront costs of sizing, procuring and installing the solar PV system. Without any upfront investment, the host customer is able to adopt solar and begin saving money as soon as the system becomes operational.
- **Reduced energy costs:** Solar PPAs provide a fixed, predictable cost of electricity for the duration of the agreement and are structured in one of two ways. Under the fixed escalator plan, the price the customer pays rises at a predetermined rate, typically between 2% - 5%. This is often lower than projected utility price increases. The fixed price plan, on the other hand, maintains a constant price throughout the term of the PPA saving the customer more as utility prices rise over time.
- **Limited risk:** The developer is responsible for system performance and operating risk.
- **Better leverage of available tax credits:** Developers are typically better positioned to utilize available tax credits to reduce system costs. For example, municipal hosts and other public entities with no taxable income would not otherwise be able to take advantage of the Section 48 Investment Tax Credit.
- **Potential increase in property value:** A solar PV system has been shown to increase residential property values.¹ The long term nature of these agreements allows PPAs to be transferred with the property and thus provides customers a means to invest in their home at little or no cost.





SOLAR POWER & LIGHT

Putting Power in Your Hands™

APPENDIX B – Location and Rendering of Solar Power System

