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SUMMARY OF NEW MEXICO'S COMMUNITY SOLAR PROGRAM ADOPTED RULES: MARCH 30, 2022

On March 30, 2022, the New Mexico Public Regulation Commission ("Commission") adopted rules for the State's Community Solar Act (Senate Bill 84, "Act" or "Program"). We summarize those material terms below.

Effective Date and Statewide Program Capacity	1. Program effective date: April 1, 2022. 2. Initial statewide capacity: 200MWac.* 3. Proportionate allocation to New Mexico's 3 investor owned utilities ("IOU"): a. PNM: 125MWac b. SPS/ Xcel Energy: 45MWac c. El Paso Electric: 30MWac ** 200MWac program capacity does not apply to Native community solar projects and rural electric distribution cooperatives but grid infrastructure capacity will be limited.* *A revised annual state capacity program cap and allocation to be in effect after November 1, 2024*
Community Solar Facility ("Facility") Requirements	1. Facility Size: 5MWac or less. 2. Facility Siting: located in an IOU's service territory and interconnected to that IOU's electric distribution system. 3. Facility Subscriber Requirements: a. minimum 10 subscribers; b. maximum 40% for a single subscriber; c. minimum 40% small subscribers (25kW or less); and d. 30% reserved for low-income customers and low-income service organizations. 4. No co-location with other Facilities.
Process for Project Selection	1. Projects will be selected through a competitive solicitation and scoring process. Minimum eligibility requirements include: a. Site control; b. Commitment to meet statutory subscriber limits for low-income subscribers (minimum 30%, maximum 50%); c. Completed utility pre-application report or system impact study; d. Proof of access for applicable project deposit; and e. Payment of $1,000 bid application fee.

What is Community Solar?

- **Community Solar** refers to **local solar facilities** shared by **multiple community subscribers**. For their portion of the **power produced** from the **solar facility**, **subscribers** receive **credit** on their **electricity bills** (usually at full retail rates).

- Through a well-developed Solar farm, **customers** get the **benefit of paying** for **clean power** at a **rate** at least **25% lower** than their **traditional retail electricity rates**. **Savings** can be for **20-25 years,** with **no up-front costs** to **subscribers**.

- The **Community Solar Act (SB 84)** passed in **New Mexico** on **March 18, 2021**.

- The **Public Regulation Commission (PRC)** is finalizing **program rules** and **Community Solar** will be **available by** about **April 2022**.

- The **New Mexico - Community Solar Program** has an **initial capacity** of **only 200 MW ac until 11/1/2024**, which will be **proportionally allocated** to **New Mexico's 3 investor** owned **utilities** (**PNM, Xcel Energy** and **El Paso Electric**, each an "IOU").

- The **Community Solar Program** detailed **rules** are **expected to be finalized** by **April 1, 2022**
(**200 MW ac** program **capacity** does **not** apply to **Native community solar projects** but **grid infrastructure capacity is limited.**) **Each Facility** must be **sized** at **5 MW ac** or **less. Power purchase subscription** allocation for each **Facility:** at least **10 subscribers, max 40%** for **single subscriber,** at least **40% small subscribers (25kW or less),** and **30% reserved** for **low income service organizations.**

How much can be saved by subscribing to a Community Solar project?

System Size (kW-DC):	7,128	Net Energy Credit Value (per kWh):	$0.110
System Size (kW-AC):	5,000	Fixed PPA Rate without RECs (per kWh):	$0.083
Solar Project Generation kWh Year 1:	14,662,072	Year 1 PPA Payment:	($441,391)
Customer Usage/ Allocation of Solar in kWh:	5,350,190	Net Energy Bill Credit:	$588,521
Customer Usage/ Allocation of Solar in Percentage:	36.49%	Utility Bill Savings Y1 in %:	25.00%

Year	Net Energy Bill Credit Savings	PPA Payments	Net Electric Bill Savings
1	$588,521	($441,391)	$147,130
2	$594,406	($439,184)	$155,222
3	$603,322	($436,988)	$166,334
4	$612,372	($434,803)	$177,569
5	$621,558	($432,629)	$188,929
6	$630,881	($430,466)	$200,415
7	$640,344	($428,313)	$212,031
8	$649,949	($426,172)	$223,778
9	$659,699	($424,041)	$235,658
10	$669,594	($421,921)	$247,673
11	$679,638	($419,811)	$259,827
12	$689,833	($417,712)	$272,120
13	$700,180	($415,624)	$284,557
14	$710,683	($413,545)	$297,137
15	$721,343	($411,478)	$309,865
16	$732,163	($409,420)	$322,743
17	$743,146	($407,373)	$335,772
18	$754,293	($405,336)	$348,956
19	$765,607	($403,310)	$362,298
20	$777,091	($401,293)	$375,798
Totals:	$13,544,622	($8,420,809)	$5,123,813

Management Team

Cenergy managed by industry veterans:

Bill Pham

CEO & Co-Founder

- 16 years in renewable energy development and project finance
- Co-founded Cenergy Power in 2006
- Funded Cenergy with only friends and family seed capital since inception
- Former project finance and corporate attorney, primarily for Skadden Arps.
- J.D. UCLA
- B.A. UC Santa Barbara

Chad Chahbazi

VP, Development & Co-Founder

- Developed and assisted with project management +400 MWs of solar PV projects over the last +10 years
- Extensive experience with developing large DG projects (1-25MWs per project).
- Legal background in M&A and venture capital finance
- J.D. UC Hastings
- B.S. UCLA

Andrew Goldin

Sr VP, EPC / Operations

- Led engineering and construction of +400 MWs of solar projects for Cenergy over the last +12 years.
- +35 years of power engineering and power equipment/ quality experience, including power engineering for OEMS such Schneider, GE, UGE.

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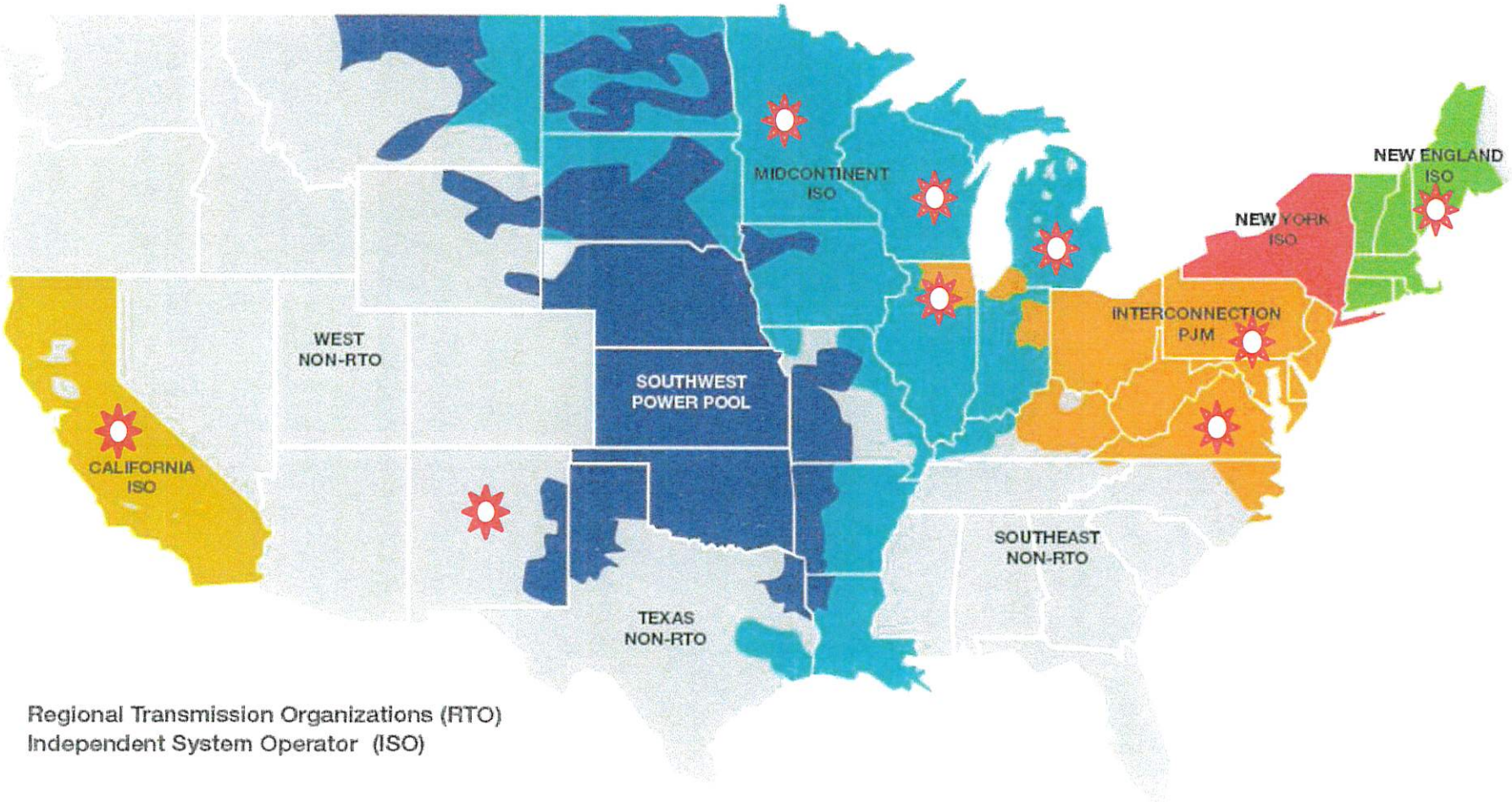
Cenergy's O2O Geographic Footprint

Cenergy is actively developing solar and solar+storage projects in 9 states across 4 RTO/ ISOs



Regional Transmission Organizations (RTO)
Independent System Operator (ISO)