THE PATH TO INVESTMENT GRADE
Taking the Unrated DG Market to Securitization
THE MARKET

Unrated Facilities
• Nonprofits
• Private Businesses
• Small Municipalities

Distributed Generation

Third Party Finance
• PPA
• Lease
UNRATED SOLAR CONUNDRUM

Doesn’t Fit Residential Models

• Complex utility tariff analysis: demand, multi-meter, tariff flipping
• No FICO score
• Long sales cycle

Doesn’t Fit Utility Models

• Inability to absorb costs for complex negotiations
• No Public Debt rating
• No standardized documentation
• No access to financing
WISER SOLAR ASSET RATING (WSAR)

• Web based automated platform
• Allows full, transparent review of risks that could impede bankability
• Similar to business credit score or corporate bond rating
• Provides benchmark for easily assessing investment risks & benefits
Assessing Cost Savings for Host Facilities

- Understanding pre & post solar charges
- Optimizing system performance to reduce costs
- Evaluating tariff opportunities

= Reduced Risk
system performance

Panel & Inverter Manufacturers

- 20 year+ warranty
- Financial strength
- Performance history & manufacturing process
- US backed assets to stand behind warranty
HOST CREDIBILITY

Business Operating for more than 5 years

Own or long term lease on the building

Financial Assessment

• Profitable
• EBITA exceeds Debt service by >1.2x
• Liquid assets sufficient to cover 3 months
• Debt/Equity Ratio
  • 4:1 for manufacturing and real estate
  • 2:1 for all else
WSAR SCORE

965

HOST FACILITY CREDITWORTHINESS
PROJECT DEVELOPMENT
ADMINISTRATION & SERVICING
LEGAL & POLICY
FIRST LOSS SURETY
SYSTEM PERFORMANCE
PATH TO INVESTMENT GRADE

First loss surety fund

Insurance policies
  • Revenue shortfall
  • Tax indemnification policy
  • Credit wrap

Institutional investors

Securitization
Bringing lower cost of capital to market allowing those who couldn’t go solar before to do so

- Environmental benefits
- Savings & cost certainty for host
- Jobs for installers & manufactures
- Expanded market for solar
THANK YOU

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