



Solar Power

Finance & Investment Summit

Executive Briefing

SOLAR MARKET OUTLOOK AND BUSINESS DEVELOPMENT LANDSCAPE

Tuesday, October 6, 2020

9:00 – 9:05 **Welcome Message by Infocast**

9:05 – 9:15 *Opening Remarks by the Program Chair:*
James Berger, Partner, NORTON ROSE FULBRIGHT LLP

9:15 – 10:00 **Session 1 Panel Discussion: Solar Capital Costs, The Impact Of COVID-19 and other Challenges in Today's Markets**

Getting a handle on future module and BOP costs and the role out of new technologies is essential in an environment where aggressive power price bidding rules the day. Yet, there is a lot of uncertainty where these costs are headed, especially with the world-wide economic downturn caused by the pandemic. The exacerbated impact of tariffs and the trade war with China is adding to this uncertainty. This session will assess expectations about future costs and evaluate the potential of new technologies to gain traction in the marketplace.

- What is the impact of tariffs on costs? How much is the current economic environment intensifying this impact?
- How much and how fast will module cost decline?
- What are the realistic assumptions of BOP costs?
- What new technologies are set to establish themselves in the market?
- What is the business case for bifacial modules?

Moderator:

Lloyd MacNeil, Partner, MCDERMOTT WILL & EMERY

Panelists:

Scott Canada, SVP, Renewables, MCCARTHY BUILDING COMPANIES, INC.

George Hershman, President, SWINERTON RENEWABLE ENERGY & SOLV INC.

Jim Lamon, Chief Executive Officer & Founder, DEPCOM POWER

10:00-10:05 *Session Transition*



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10:05 – 10:50 *Session 2 Panel Discussion: Decarbonization, Legislation Set Up New Opportunities for the Industry*

The renewables industry has been undergoing a multi-year transformation, driven by growing market competition and a collective push to decarbonize the grid and accelerate the energy transition. This transformation has led to groundbreaking initiatives and a massive policy push for renewables in California and other states across the country. COVID-19 and the economic turmoil it has caused, however, has affected the outlook and may delay the push for decarbonization and 100% renewables efforts as government leaders concentrate attention on the current health and economic crises. This session will assess the current state of legislation and decarbonization efforts, what initiatives are being pursued to help drive solar opportunities going forward and how the industry can still capitalize on them.

- How is COVID-19 and the resulting economic recession affecting decarbonization efforts?
- What opportunities does the IRS extension on tax equity investment create?
- What supporting programs and funding can we expect to see?
- How do recent utility 100% renewable announcements open up market opportunities?
- What notable legislations are still being promulgated? And how are state and local governments moving from legislation to implementation?
- What is the outlook for renewables over the next year, given the current situation?

Moderator:

Amanda L. Rosenberg, *Partner*, NORTON ROSE FULBRIGHT LLP

Panelists:

Cameron Bard, *Senior Director, Market Development*, DISTRIBUTED SOLAR DEVELOPMENT, A GE RENEWABLE ENERGY VENTURE

Luigi Ciavarella, *Director of Market Development*, RWE RENEWABLES AMERICAS, LLC

Supria Ranade, *Director of Power Marketing*, LIGHTSOURCEBP

10:50-10:55 *Session Transition*

10:55 – 11:40 *Session 3 Panel Discussion: Evolution of the Corporate Offtake Market*

The demand for renewables from the corporate market had been strong up through the first quarter of 2020. However, the restrictions across the all business sectors have caused companies to prioritize core operations while deferring decisions on energy investments until there is more certainty about the future of the economy. Additionally, lower commercial activity has reduced C&I energy consumption. Now, there is increasingly a reluctance to accept



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risks and buyers with smaller loads are still looking for structures that meet their needs. This session will explore how the corporate market for solar is evolving and assess the risks and opportunities of playing in the market even in light of its contraction.

- What are the key factors driving corporate thinking about solar offtakes taking into account the contraction of the markets?
- What new demands are corporate buyers making, how are they best incorporated in deal structures, and are financiers still willing to accept these demands in the current environment?
- How is buyer risk aversion shaping current offtake structures?
- Do shorter-term offtakes create an opening for other financing vehicles, such as leases or even loans as replacements for corporate PPA's? What innovation may be coming as a result?
- What solutions are being developed to meet the needs of buyers with smaller loads?
- Can deals be done today with the right return and risk profiles?

Moderator:

Erik E. Malinowski, *Shareholder*, FREDRIKSON & BYRON, P.A.

Panelists:

Greg Carlson, *Key Account Director*, ENGIE NORTH AMERICA

Betsy Glynn, *Managing Director, Community Solar Business Development*, BLUEWAVE SOLAR

Jason Tundermann, *Vice President of Business Development*, LEVELTEN ENERGY

11:40-11:45 *Session Transition*

11:45 – 12:30 **Session 4 Panel Discussion: Valuation, Price Curves and Merchant Tails**

In a market of super aggressive pricing and shorter-term PPAs, market assumptions on valuation, especially around merchant curves and economic useful life are critical. This raising a number of significant questions that this session will address:

- How is the increasing dependence and pricing volatility of merchant forecast impacting pricing assumptions?
- What are the best practices for evaluating and assessing pricing curves and the merchant value of solar?
- Who are providing tools for this and are they reliable?
- How might the build out of large amounts of renewable energy generation lower the value of the forward curve? When might this happen?
- How do you manage merchant exposure for operating solar projects post-PPA?



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Moderator:

Justin Boose, *Partner*, TROUTMAN PEPPER

Panelists:

Alan Comnes, *Senior Director*, ENERGYGPS LLC

Manish Hebbar, *Managing Director*, COHNREZNICK CAPITAL

Steve LaMantia, ASA, *Managing Director*, MARSHALL & STEVENS INCORPORATED

12:30 – 1:00 *Lunch Break*

1:00 – 1:45 *Session 5 Panel Discussion: The Texas Market*

Texas is expected to become the second largest solar market by 2021 and projected to grow by 7,787 MW over the next 5 years. Despite the great opportunities, market challenges, exacerbated by the current financial uncertainty, remain and risks need to be well understood and assessed. This session will explore today's key opportunities, challenges and risks in the Texas market.

- What is the viability of hedge offtakes for solar?
- What are the lessons from ERCOT's performance and shrinking reserve margin?
- How has the ERCOT market been impacted by business restrictions and the stay-at-home orders? Does any impact change the outlook for the market?
- Will capacity margins push ERCOT to change the market structure to make solar more attractive?
- What do the forward curves in ERCOT tell us about the markets going forward? Will future price forecast be as challenging as wind?
- What are the potential impacts of rolling out the large amount of storage in the ERCOT queue on the market? Will it affect daily pricing? Does storage add to competitiveness?
- What are the potential impacts of transmission congestion on the market?

Moderator:

Chris Reeder, *Partner*, HUSCH BLACKWELL LLP

Panelists:

Sol Bobst, *President*, SOLAR RANCH DEVELOPMENT COMPANY

Dai Owen, *Vice President, Origination & Power Marketing*, EDF RENEWABLES

Richard E. Walsh, *Managing Partner*, MADISON ENERGY INVESTMENTS

1:45 – 1:50 *Session Transition*



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1:50 – 2:35

*Session 6 Panel Discussion: **Development Challenges in Expanding Markets***

As the utility scale solar development has significantly expanded to new markets and geographic regions, developers face unique challenges in the key development tasks of site control, interconnection, and permitting - including those created by COVID-19 restrictions on business, siting and permitting delays, and workplace social-distancing practices. This panel composed of highly experienced development professionals will explore these issues, including:

- Site Control
 - How to determine a “market price” for land in an emerging market
 - Farmland conservation policies and their role in emerging states
 - Do “western leases” work in other states?
- Interconnection
 - An overview of the LGIA process in key markets
 - Interconnection with an electrical co-op; challenges and opportunities
- Permitting
 - States with centralized power plant siting-solar project experience
 - How to ensure compliance in areas with little or no land use process
 - How to engage stakeholders not familiar with solar

Moderator:

James Berger, *Partner*, NORTON ROSE FULBRIGHT

Panelists:

Perry Fontana, *President and CEO*, FONTANA ENERGY ASSOCIATES

William Timmerman, *Managing Director*, XENERGY FINANCIAL LLC

Jesse Tippett, *Director of Business Development*, IDEMITSU RENEWABLES AMERICA, INC.

2:35-3:30

Conference Platform Open for Virtual Networking