



Tuscarora School District High School, Mercersburg, PA

CELEBRATING 10 YEARS



Jim Kurtz, President

As we celebrate a decade in solar we are deeply grateful to our customers, many of whom have built multiple arrays with us; the build and financing partners who have been integral to our over 100 projects; and of course, our hard-working team that is always going the extra mile to make these solar projects come together for our customers.

The past few years have seen our footprint expand in many important ways. In 2018 we built our first array in Arizona, in 2019 we had our first project in Virginia and our Mexico operations have completed over 25 projects in just three years. In addition, we continue to build out our online development and project management platform as part of a suite of tools and solutions we bring to customers and partners. Our online platform is key to our vertically integrated strategy as it allows us to collaborate with all partners transparently, enabling us to develop and nurture strong partnership with customers, co-developers, engineering teams and others whose efforts

contribute to solar success. Through the platform, stakeholders can collaborate in real time, share documents and costs transparently related to development, permitting, engineering and build updates. This builds trust with all stakeholders and keeps our projects on schedule and on budget, ensuring we can deliver on customer expectations.

In other important updates, we have formalized our long-standing relationship with our COO Mike Barnes, who is now a partner in RER. Mike has been a key part of our strategic team for years, leading our building and operations, supporting our sales and development team and really driving the build out of our platform. Mike is a Master Electrician and entrepreneur with over 35 years of experience. Mike's skills in building processes and driving operations is a great complement to the financial acumen and solar development experience RER has developed over the years. In addition to Mike, we also have substantially grown our team to ensure we can handle the volume of opportunities coming our way while serving our customers as they have come to expect.

Looking forward, we are anticipating significant growth in 2020. While tax credits have begun to decline, the economics of solar

have never been more compelling, and we now have a range of options we can bring to finance a project. For example, this past year we completed a tax equity transaction with a 3rd party investor, which allowed us to sell the majority of the tax credit value to a separate investor than the long-term project owner. We have financed projects for clients who hope to buy out their solar array once the tax investor has exited the deal, and of course we have sold projects outright and have many customers who simply buy their solar array through their own financing. We strive to bring the solution that maximizes the return and benefits our clients are seeking with their solar project, and are always happy to talk through options.

Please reach out if you see ways we can partner for shared success or you want to learn how solar can help your business or organization save real money while contributing to a more sustainable planet.

With appreciation,
Jim Kurtz
President, RER Energy Group

Over the last **10 years** the arrays built by RER have offset the ammount of carbon generated by the following:



8,106 passenger vehicles driven for one year



4,296,181 gallons of gasoline consumed



1,560,794 propane cylinders used for home barbeques



4,406 Homes' energy use for one year



4,869,200,647 number of smartphones charged



49,862 acres of U.S. forests in one year



SARANAC LAKE COMMUNITY SOLAR: A PROJECT FINANCED BY LOCALS FOR LOCALS

New York Saranac Lake residents will soon have a local source of clean energy for the community and surrounding areas. The Saranac Lake Community Solar project will provide homeowners, renters and businesses with the benefits of solar energy without the cost of equipment, installation, or maintenance.

The 2-megawatt ground-mounted solar project will be located on 10 acres of land just north of the Village, and is expected to

produce over 2.3 million kilowatt-hours of clean energy annually.

Participants in the program will receive solar energy credits on their National Grid electric bill each month, and can save an average of \$120 per year for twenty-five years or more.

“We are excited that our financial strength and project development expertise, along with strong local partnerships, will allow us to complete the first community solar project within the Adirondack Park” said Mike Barnes, COO of RER Energy Group.

Updates regarding this project will be provided on our website as they become available. Stay tuned for more Community Solar projects coming across the country.

2019 PROJECT HIGHLIGHTS

Goodwill Industries of the Valleys in VA

Goodwill Industries of the Valleys (Southwest Virginia) now joins other regional Goodwill organizations throughout the country who have leveraged the power of solar in support of Goodwill’s mission. RER Energy Group designed and installed a 239kW roof-mounted array for Goodwill of the Valleys, on their Salem Retail and Donated Goods Processing location in Salem, VA.

In adopting solar technology, Goodwill Industries of the Valleys has enhanced its ability to perform its mission of helping individuals with disabilities or disadvantages get back to work and gain greater independence through training and employment programs, while becoming a community leader in environmental stewardship and sustainability in Southwestern VA.



Goodwill Industries of the Valleys in VA

Goodwill Industries of the Valleys CEO/President Bruce Phipps said, “Solar made economic sense for Goodwill and we thought it aligned with our value of stewardship. The new solar array will save us money and be a long-term solution to rising energy costs, “The money saved will provide for more opportunities for future investment in people, programs and new ventures which will strengthen our mission and the communities we serve. We are hopeful that this is only the first step in reducing the carbon footprint of Goodwill and look forward to more of our facilities using solar in the future.”



Tuscarora School District

Tuscarora School District

Two Sets of Arrays to Supply Three School Facilities – RER Energy Group designed, developed and installed a solar ground array at Mountain View Elementary School and a rooftop array at James Buchanan High School. In total, the two arrays form a 1.996 MW (DC) Array to serve the energy needs of the Tuscarora (PA) School District. The installations will offset approximately 1,775 metric tons of carbon dioxide equivalent annually and support 3 schools in the district. West Penn Power Sustainable Energy Fund (WPPSEF), participated as financial partner in this transaction- “This co-funding will allow the school district to lower its carbon footprint and will allow the students to gain first-hand experience on solar power” said Joel Morrison Fund Administrator. “We hope this project will serve as a model for other school districts in Pennsylvania”.

Bath Saver

One Array to Support Two Buildings – RER designed, developed and installed a 391kW roof mounted solar array at the Bath Fitter call center that, thanks to Pennsylvania ‘net metering rules,’ will also provide energy for their corporate headquarters, nearly a mile away.

Aaron Gross, Managing Partner of Bath Saver stated, “We take our social responsibility seriously, whether it involves employee-related activities, direct charitable contributions or community service. To make an environmental difference to our community while also obtaining lower cost alternative energy source for two of our buildings gives us multiple positive impacts with this one important project.”

Bath Fitter was founded in 1984 and is North America's leading acrylic bathtub, shower enclosure and tub-to-shower conversion company.



Bath Fitter Call Center

Wacker Chemical

A chemical company that develops and manufactures products in the silicone, polymer, fine chemicals, and polysilicon industries, installed a roof mounted 302.22 kW photovoltaic solar electric system, a 10.95 kW Ground Mount and three EV Charging Stations at their Polymers Division in Allentown, PA.

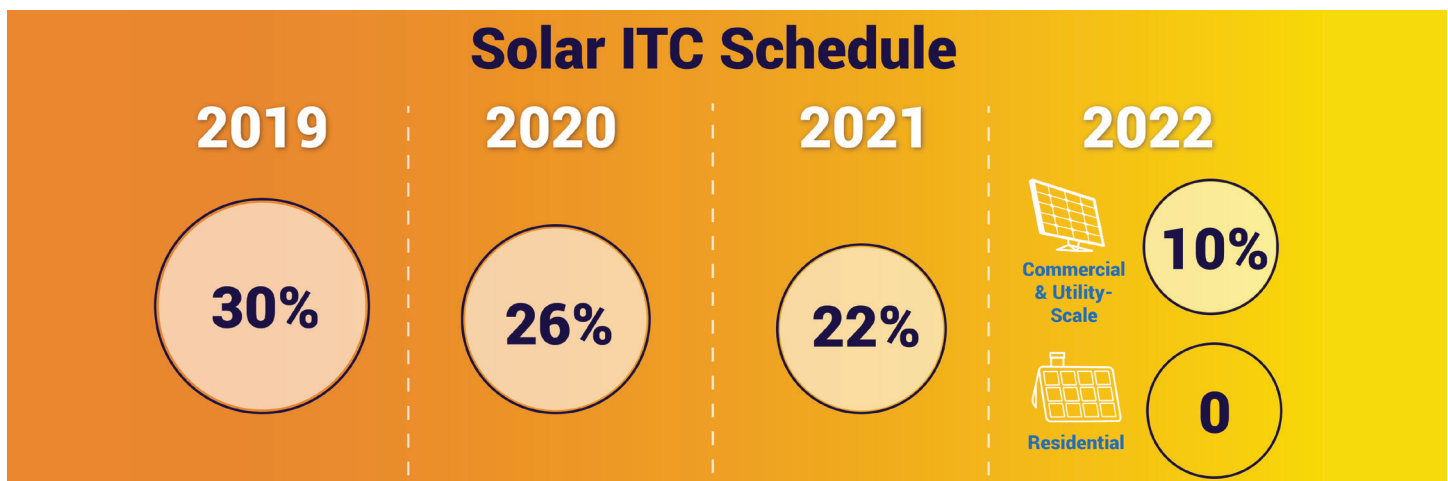
When Wacker Chemical originally investigated solar energy in 2010, the economics for their project simply did not work. However, thanks to a significant decline in solar energy system costs over the last eight years, we were able to provide Wacker a cost-effective solar installation. The 302-kW array is anticipated to provide 384,000 kWh (kilowatt hours) of energy per year at an effective cost of approximately \$0.03 per kWh.

Milton Dodson, Controller of Wacker’s Polymers Division, said the solar array will offset approximately 20% of Wacker’s annual electric usage at the Allentown site, representing an important accomplishment in Wacker’s ongoing environmental and sustainability commitment.

ATAS

ATAS a leading manufacturer of metal roofing, wall cladding, ceilings, perimeter edge metal, and accessories, built their first array with RER at their Arizona facility in 2018. In 2019 they added to their solar investment with this installation of a roof mounted 620.1 kW photovoltaic solar electric system at the ATAS International Inc. site in Allentown, PA. This array is estimated will generate 743,220 kWh of solar energy each year.

Dick Bus, President of ATAS, stated “the array will create more energy than we use at the Grant Way location and the excess energy will be used to benefit ATAS’ nearby buildings.”



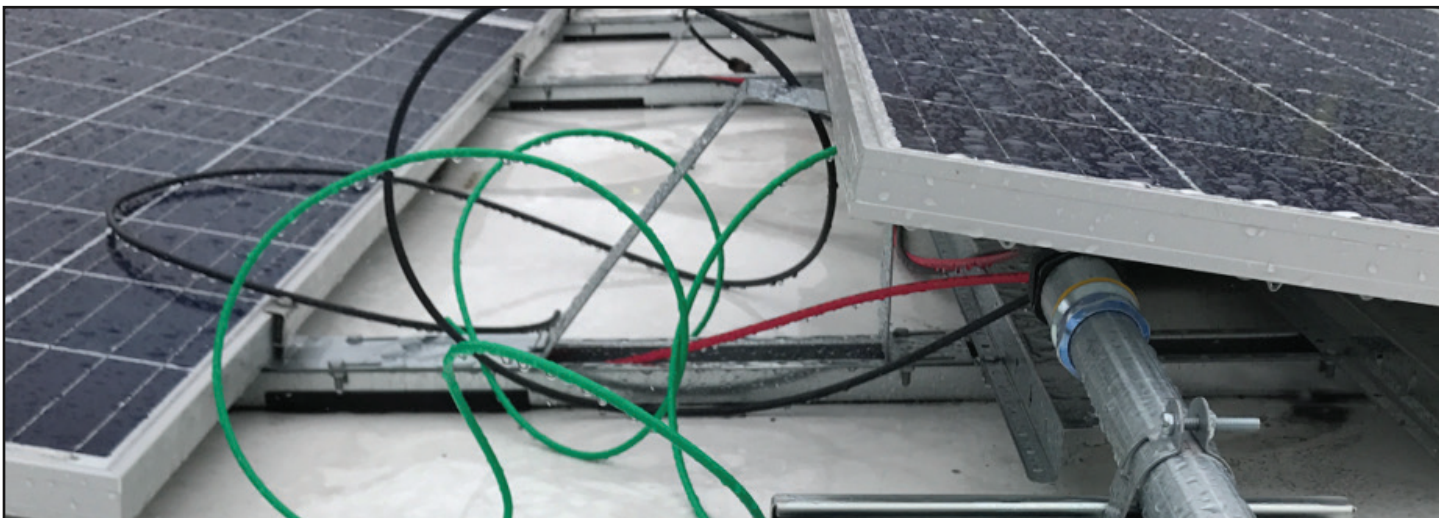
SOLAR FEDERAL ITC NOW AT 26% FOR 2020

The Investment Tax Credit (ITC) for solar projects continues to be an important financial lever that contributes meaningfully to the financial returns people see from their solar investments. While the ITC has started its ‘Step Down’ process – it still represents 26% of the costs for solar projects that get underway in 2020. How does this work? The ITC is a dollar for dollar reduction in the taxes your company would otherwise pay the federal government, reducing the effective cost of your solar investment by more than a quarter of the total almost immediately.

What does that mean for you? It means you need to get going if you are thinking of solar for your business because these projects typically take months to develop, design and engineer, to say nothing of the time needed to get through required permitting and financing. In order for your project to qualify for the 26% credit, 5% of the project cost must be spent before the end of 2020. Projects typically take at least 6 months and often as many as 8 to 12 to get through permitting and interconnection approval, so there is urgency to meet these deadlines.

The Solar Investment Tax Credit has been critical to the growth of solar energy in the United States, in fact contributing to an industry growth of more than 10,000% since the inception of the ITC in 2006. Beyond increasing the clean energy consumption in the US, this industry growth has also created hundreds of thousands of jobs and has invested billions of dollars in the US economy in the process. Solar installer was one of the fastest growing jobs in 2019 and today approximately 290,000 people work directly in the solar industry. The ITC was extended in 2015 to provide market certainty which has helped shore up this growth in good paying jobs. The law has the ITC reducing from 26% in 2020 to 22% in 2021 and down to only 10% in 2022.

While time is of the essence, RER is ready to support you through your entire solar journey. We provide a turnkey service, meaning we can work with you to develop a project that meets your financial and sustainability goals, gets the engineering and permitting done, oversees the build process and helps you source the right funding. Keeping this all under one roof helps to increase the chance your project meets the ITC deadline so you benefit from that significant boost in the returns on your investment.



TAKING CARE OF YOUR ASSET: WHY YOU SHOULD HAVE AN O&M AGREEMENT

An effective Operations and Maintenance program is critical to getting the most from your solar investment. O&M performed by a qualified provider enhances solar panel productivity and increases the probability of your solar system lasting longer, needing fewer repairs and performing at or above its expected energy output over time.

To stay ahead of maintenance issues that cause solar arrays to underperform, RER's O&M team are trained to inspect wiring connections - especially aluminum wire as it tends to expand and contract with temperature - loosening connections, increasing resistance and thereby reducing energy output. Aluminum wire also requires an anti-oxidizing paste (called "Noalox") applied under connections to restrict oxidation of conductors which may also reduce system output.

RER's personnel re-torque connections in the field and apply additional Noalox if needed during these important O&M

inspections to ensure solid electrical connections and to fend off aluminum oxidation - all to ensure that the array harvests as much solar energy as possible.

RER fully monitors and analyzes the performance of a system and works to ensure it is performing optimally. Our dedicated team of field-service engineers and technicians actively oversees the quality and performance of a solar project with effective maintenance to keep your solar system at peak efficiency.

RER O&M Services Include:

- Preventative, predictive and corrective maintenance
- Grid integration and regulation
- Site maintenance; and detailed reporting & analysis
- Monthly system output checks
- Annual reporting
- Solar Energy Credit (SREC or ZREC) reporting



Empower Your World.

For more information on how your organization can benefit from lowering your electric bill using solar, contact us at:

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