

## FIT Solar Program California - Frequently Asked Questions

### What requirements are necessary to qualify my property or land for a solar site lease?

1. Property must be in the state of California. Power must be at property through Pacific Gas & Electric, Southern California Edison or San Diego Gas & Electric. Must have 3 phase power at or near property.
2. Property terrain must be relatively flat, abundant to sunlight and be easily accessible for construction personnel, maintenance crews and equipment.
3. Property zoning must allow for a small energy generating facility or if required should be zoned so that we can obtain a commercial Conditional Use Permit (CUP) for a small energy generating facility. Rooftop FIT projects usually will not require this permit.
4. Minimum Property Size:

Ground Mounted FIT Lease	Roof Mounted FIT Lease
2.5 Acres – 250kW AC	100kW AC – 10,000 Square Feet

5. Land must not be under any environmental protection act (examples include land hosting any endangered or threatened species of any kind, raptor nesting grounds, waterfowl breeding grounds, Native American burial site or other sacred site, etc...)
6. Property should not be in flood zone A.
7. Land that is under the Williamson Act will usually allow for a conditional use permit so long as the total land to solar array size stays within the 80/20 rule. Example: 100 acres of land, 80 acres may be used for Solar, the remaining 20 have to remain for cultivation. Land that is released from the Williamson act may be subject to back property taxes.

### What information is needed to qualify my property?

To help expedite the initial site review your Sales Consultant will need the: Address, Assessor Parcel Number(s), and County Information.

### How much solar can I put on my property?

The total amount of solar that we can install is dependent upon the size of the distribution line running to the property and its respective current load. Each project will undergo an application process that will be reviewed by our project development department first and then the local utility to determine the interconnection amount allowed for the specific distribution line. There may also be additional factors that may limit the amount of solar for each project: property size, county set-back/egress requirements, roof-venting etc...

To be eligible for each utility's "Fast-Track" application process, your property must be the **first** to connect to the distribution line, otherwise if there is already a generating facility connected to the same distribution line, your property will have to go through a

slower review process through utility to determine the line and infrastructure upgrade requirements (8-24months).

The following chart shows each utility’s FIT interconnection limit on solar generating power in AC given the typical three-phase power available at most properties:

Utility	12kV Distribution Line	21kV Distribution Line
<b>San Diego Gas &amp; Electric</b>	1.5mW AC	1.5mW AC
<b>Southern California Edison</b>	1.5mW AC	1.5mW AC
<b>Pacific Gas &amp; Electric</b>	Up to 2mW AC	Up to 3mW AC

\*In some cases properties with access to two or more distribution lines may be able to procure a higher interconnected amount than listed above. I.E. – access to (2) two 12kV distribution lines *could* allow up to a 3mW AC interconnection. A 16% inverter loss is typical for the conversion of DC to AC power – The total amount of installed Name-Plate solar in DC is typically 16% more than the interconnection amount, so for example a 1 mW AC approval would be equal to 1.16mW DC Name-Plate solar.

**Will the array be tied to my current meter on my property?**

No. Each FIT project will have a separate “feed-in” meter to accurately track the electricity production of the FIT solar array.

**How much will my lease payments be?**

Lease payments are calculated by the total system size in Name-Plate DC times \$12 per kW per year. Example – a 1.5mW DC = 1,500kW DC x \$12 = \$18,000.00 per year. The utility’s power purchase agreement with our company is typically 20 years. Lease payments do not include any escalators as the contract with the utility is compensated a fixed rate for energy production.

The following chart shows estimated lease payment amounts given approved interconnection amount:

Property Size   Roof Size	Interconnection Amount AC	Name-Plate Size DC	Monthly Payments	Total Yearly Payments
2.5 Acres   25,000 sq ft	250kW AC	290kW	\$290.00	\$3,480.00
5.0 Acres   75,000 sq ft	500kW AC	580kW DC	\$580.00	\$6,960.00
7.5 Acres   112,500 sq ft	750kW AC	870kW DC	\$870.00	\$10,440.00
10 Acres   150,000 sq ft	1,000kW AC	1,160kW DC	\$1,160.00	\$13,920.00
12.5 Acres   187,500 sqft	1,250kW AC	1,450kW DC	\$1,450.00	\$17,040.00
15 Acres   225,000 sqft	1,500kW AC	1,740kW DC	\$1,740.00	\$20,880.00
30 Acres   450,000 sqft*	3,000kW AC	3,480kW DC*	\$3,480.00*	\$41,760.00*

\*System size is dependent upon circuit interconnection capacity and approved interconnection agreement with utility.

### **Are there any financial obligations from me the property owner (lessor)?**

Lessee will be responsible for all development, permitting, construction and maintenance costs. Land that is subject to back property taxes through the Williamson Act must be taken care of by the property owner.

### **When will I get my first Payment?**

Once the FIT project is constructed and is online producing power for one month, the property owner will begin receiving monthly lease payments.

### **Who pays the lease payments?**

Our funding development company and its affiliated investors/partners will form a separate LLC holding company for each FIT project. The equipment and assets for each FIT project will be owned by the newly formed holding company (LLC) and lease payments will be made by the new LLC to the property owner. Holding company details can only be made available after financial close of the project.

### **How long will it take until power production begins?**

Typically, a 1.5mW array will take 6-12 months to get online, producing power. Timeline from start to finish varies for each project as it is dependent on a number of factors: utility review, utility approval, design time, financing, site planning, permitting, environmental review, construction, weather etc...

### **Do I have to spend any money to extend power on or to my property?**

No. If power is not available at the property line, we will review, on a case-by-case basis, the costs necessary to extend power to the property. For some properties, the costs of bringing in power will be too great to make the project financially feasible. For all of our FIT projects the interconnection to the array will be provided by the power company. In some cases a separate feed line may have to be installed through conduit or overhead power-poles to the FIT meter. All of these costs are covered by our project development company.

### **Do I have to provide a fence or some type of security system?**

We actually include a fence around the property as well as a video surveillance as part of the project costs, so the property owner is only required to take reasonable & customary security precautions that they would take for any other buildings or equipment they have on the property.

**The property I have is leased to me, can I still participate in the program?** Yes, as long as your lease for the property is longer than 20 years.

### **I have a lien on my property. 1st, 2nd & 3rd lien allowed?**

In order to participate in the FIT program, property owners must release information about any lien holder interest on the property. Any lien holders on the property will be contacted by our company to approve and release any lien interest in the FIT project. Lien holders on the property must give up lien rights on the solar equipment as it is the main collateral for our lenders.

### **What does a completed project look like?**

Not every project will have the same type of panels, tracking or mounting system. Final design depends on engineering, lender requirements, and panel manufacturer.



For more information on our Feed In Tariff Projects please Contact Ken Stout at 530-736-6527 or email : [stoutsolar@aol.com](mailto:stoutsolar@aol.com)

Visit our website at [www.cleanenergyfundingsolutions.com](http://www.cleanenergyfundingsolutions.com)