

Thecasesolutions.com Progress Energy and Duke Energy (A)



Agenda

- Thecasesolutions.com
- Background
- Industry Overview
- Company Overview
- Business Model
- Financial Overview
- Risks & Considerations

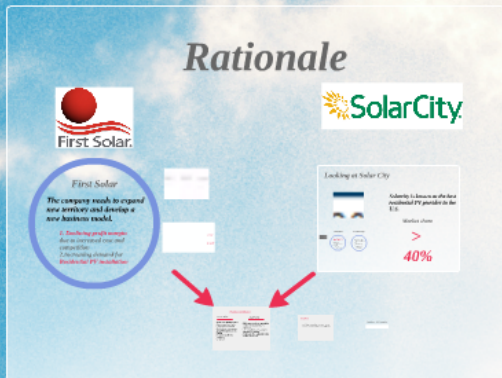
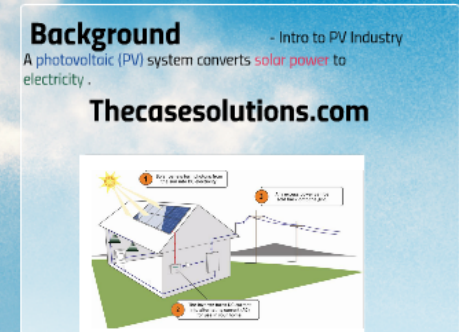
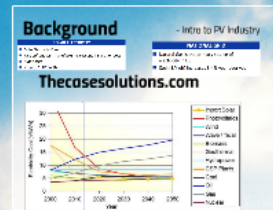
Risks & Considerations

- Solar Energy Subsidies
- Long-term Solar Production
- Competition
- Regulatory Changes
- Public Policy
- Energy Market Volatility



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 - Recommend Approach
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- Risks & Considerations**
- 1. Due Diligence & Reverse Diligence**
- Buyer (First Solar):
 - contingent liabilities
 - litigation risks
 - intellectual properties
 - Target (Solar City):
 - engage in "reverse diligence"

Risks & Considerations

- Contingent Liabilities
- Litigation Risks
- Intellectual Properties

Risks & Considerations

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Risks & Considerations

- Contingent Liabilities
- Litigation Risks
- Intellectual Properties

Thank you

Agenda

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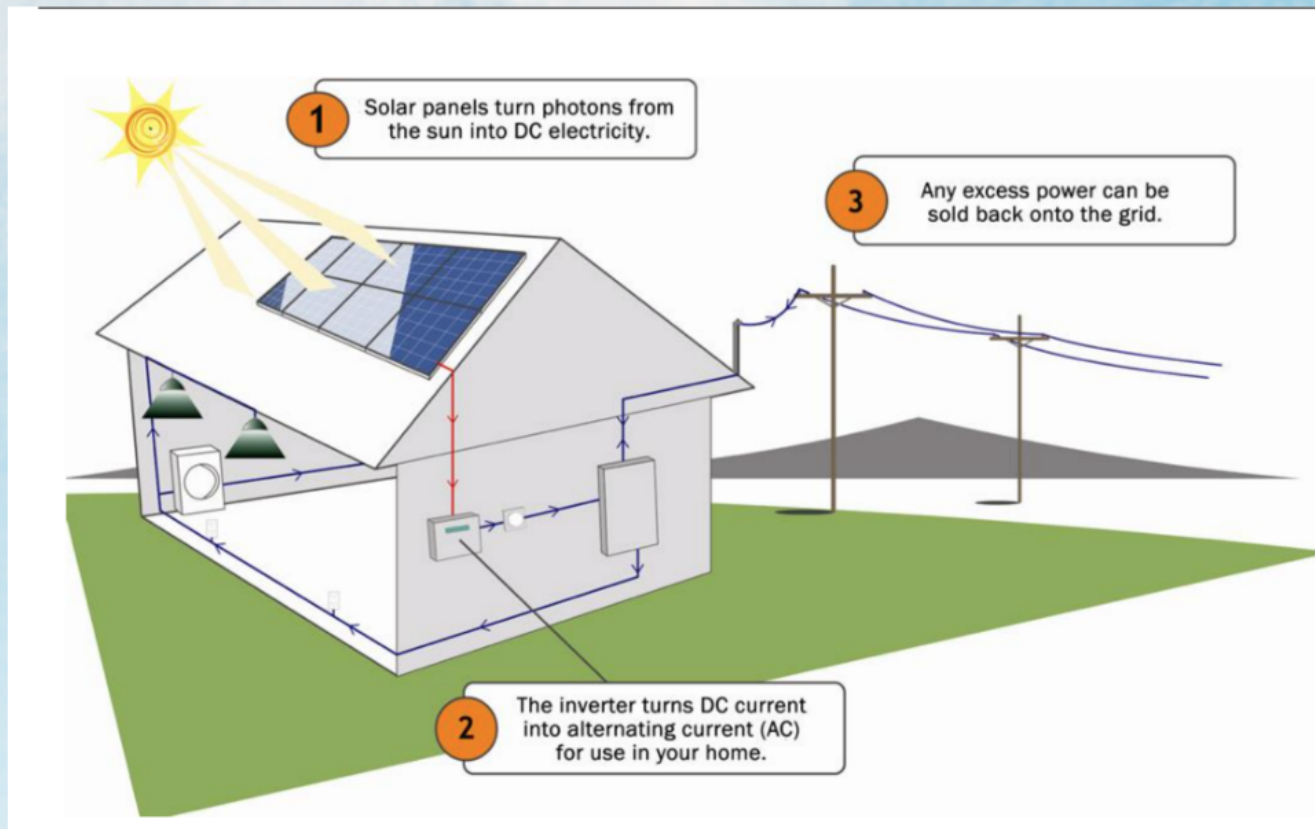
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Background

- Intro to PV Industry

A photovoltaic (PV) system converts solar power to electricity .

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Background

- Intro to PV Industry

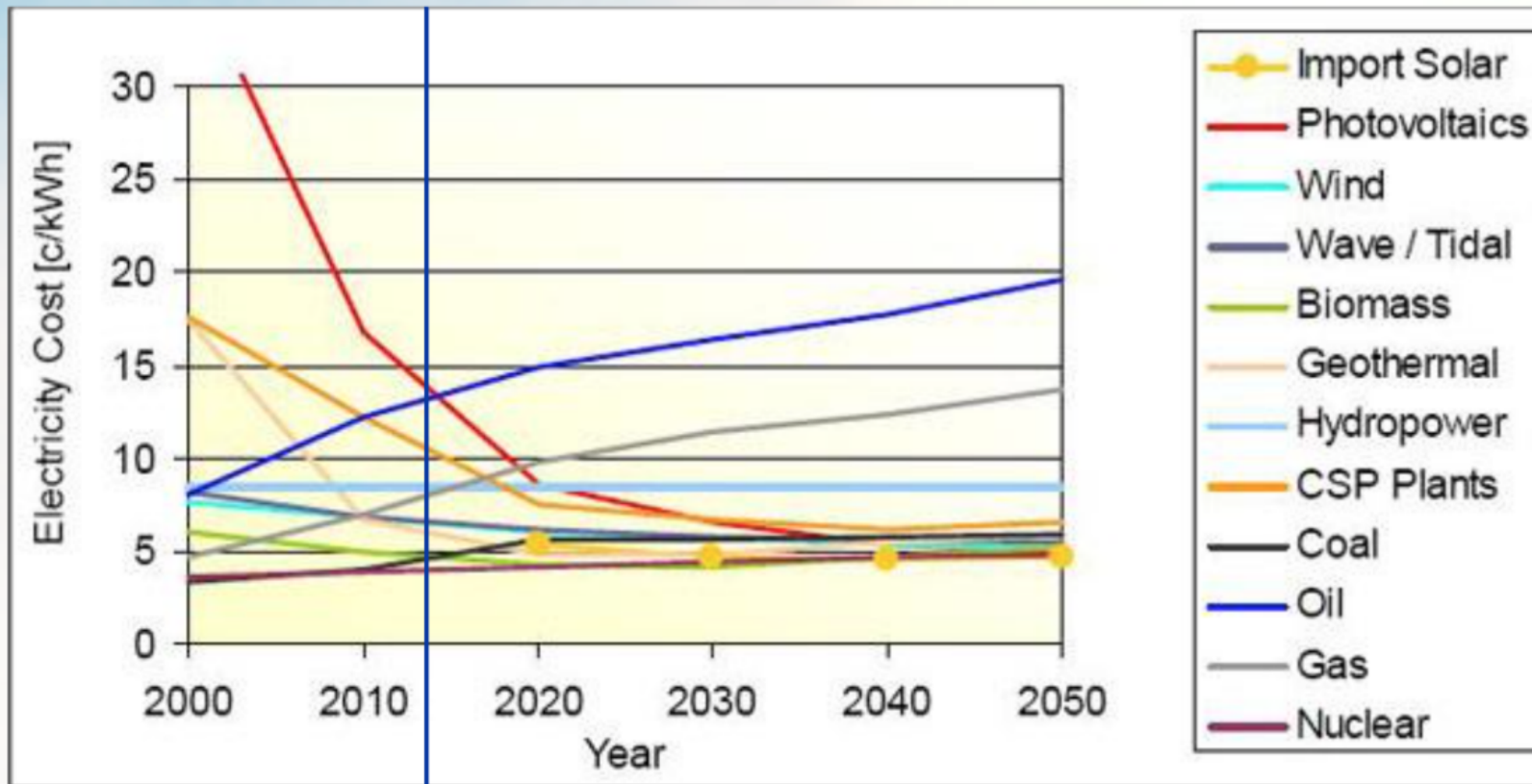
SOLAR ELECTRICITY

- Solar Electricity Free
- One upfront cost: manufacturing cost and installation cost
- "Mortgage"
- 20 yrs, \$100/month....

NATIONAL GRID

- Natural Gas is the primary source of electricity in US
- Cost (\$/kwh) increases 3-4% year over year

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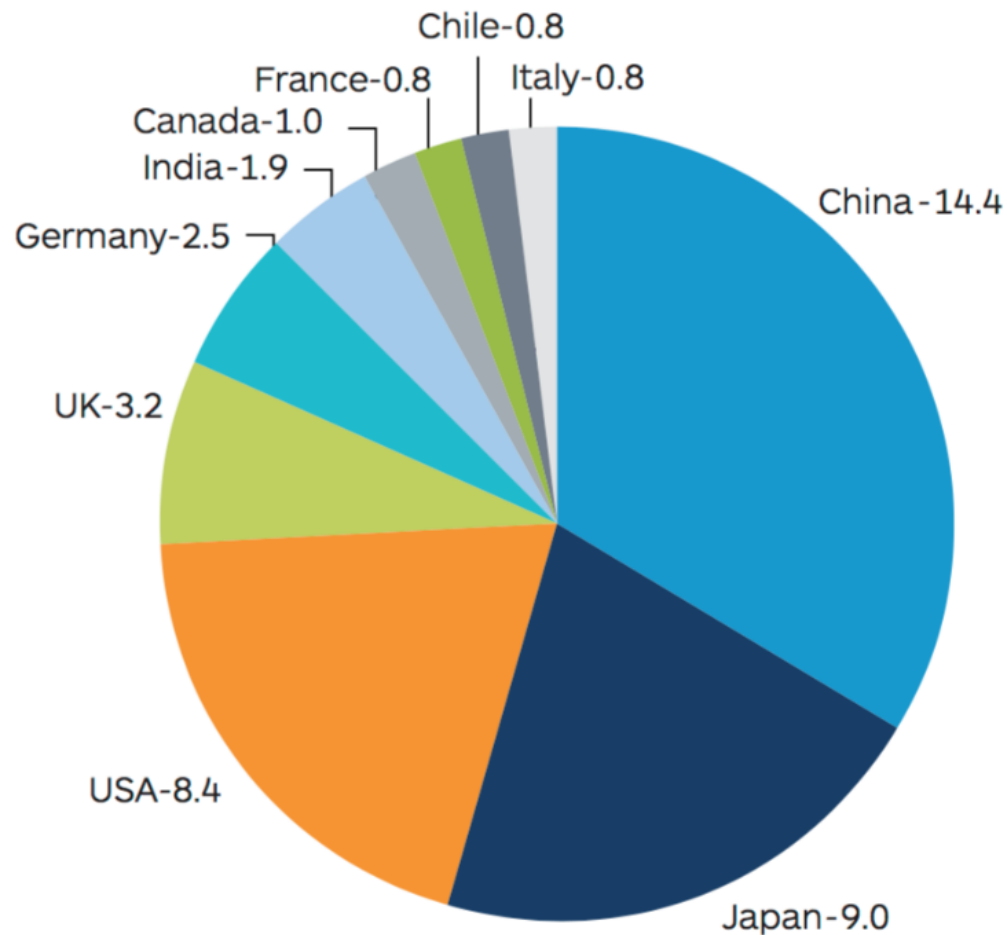


Industry Overview

- U.S has the third largest PV market globally.

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PV Installations - 2015 (GW)



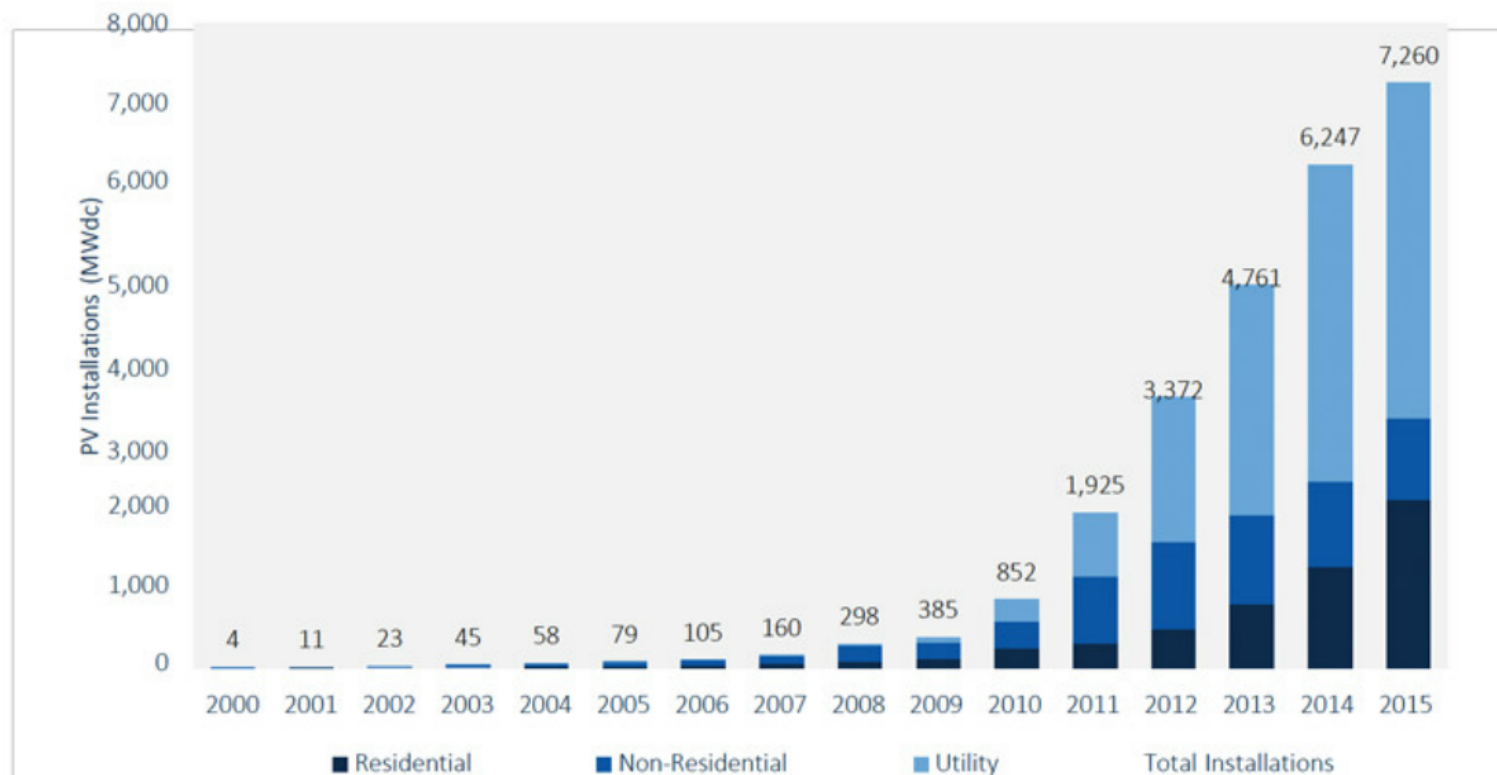
Source: IHS

Industry Overview - General

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- The U.S. installed 7,260 MWdc of solar PV in 2015, the largest annual total ever and 16% above 2014.

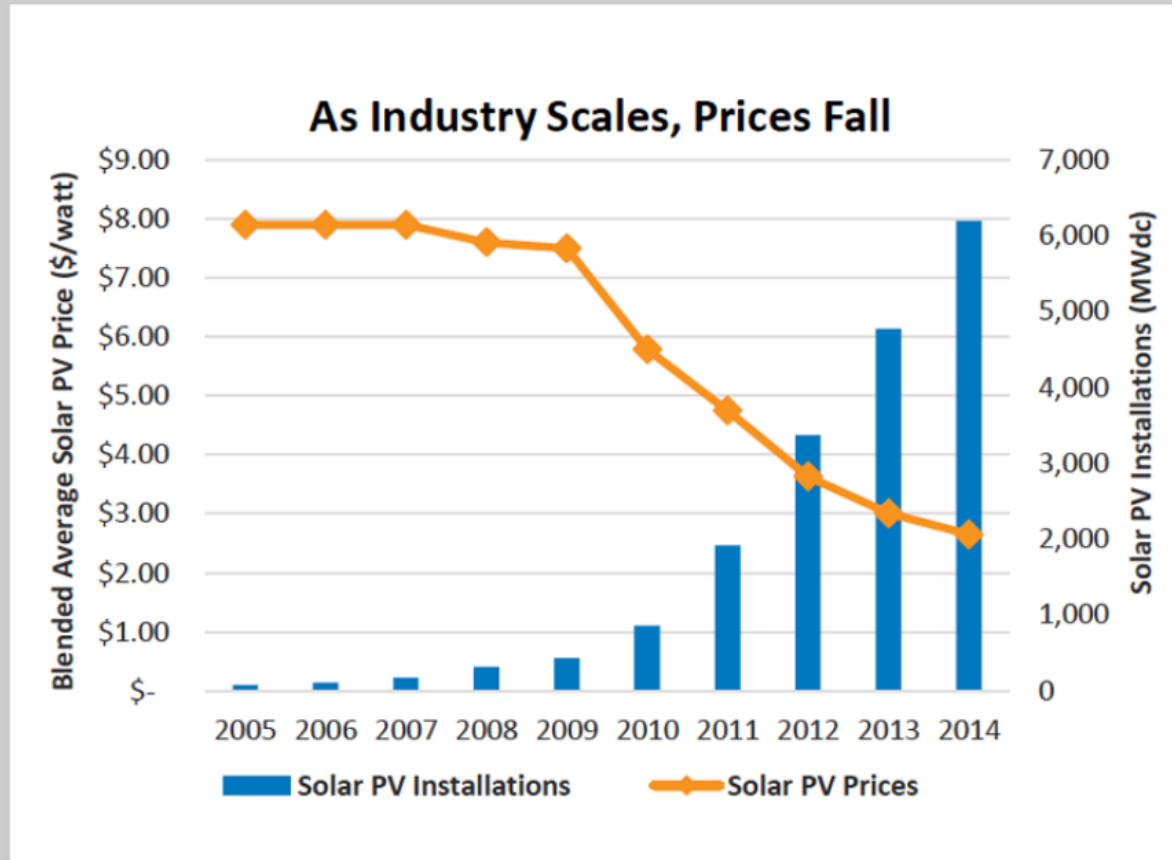
Figure 1.1 Annual U.S. Solar PV Installations, 2000-2015



Industry Overview

- As Industry Scales, \$/ Watt falls

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Industry Overview - Market Outlook

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Figure 2.7 U.S. PV Installation Forecast, 2010-2021E

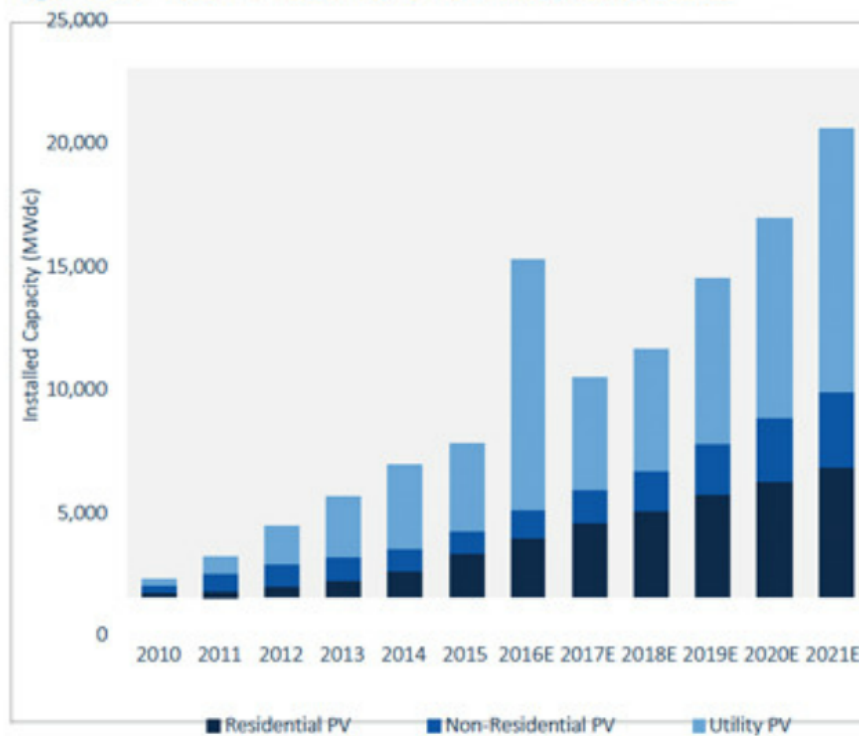


Figure 2.8 U.S. PV Installation Forecast by Segment

