



Solar panel installation at Golden Valley High School in Santa Clarita, Calif.



RENEWABLE ENERGY

Expert project finance, transaction advisory, tax and accounting services related to the development and financing of renewable energy tax credit projects.

KNOWLEDGE ♦ EXPERIENCE ♦ SERVICE

KNOWLEDGE TO GUIDE INVESTORS, DEVELOPERS IN RENEWABLE ENERGY TAX CREDIT TRANSACTIONS

Novogradac's renewable energy tax credit practice meets the demand of institutional tax credit investors looking to diversify their tax credit investment portfolios with financially viable and environmentally responsible investments. We served some of the earliest movers in the solar energy market as these renewable energy development companies recognized the value we brought to the table as experts in tax credit financed investments—and we continue to do so.

As a long-established service provider to tax credit developers and investors alike, Novogradac exhibits a comprehensive understanding of the underlying tax, accounting and structuring issues involved in financing successful renewable

energy transactions. In our role as trusted business advisors we provide clients with services based on innovative thinking, industry expertise, entrepreneurial acumen and superior client service. Novogradac's work in the renewable energy industry is primarily focused on projects financed with the investment tax credit (ITC) (primarily solar and fuel cell facilities) and the production tax credit (PTC) (primarily wind and biomass facilities), for which we provide project finance, tax equity transaction advisory, tax, accounting and auditing services to renewable energy developers (sponsors) and investors. As a firm, we have assisted with hundreds of RETC transactions and have been involved in upwards of at least \$10 billion in tax credit financings.

EXPERIENCE TO PROVIDE GUIDANCE, EXPERTISE THROUGHOUT THE TRANSACTION

Novogradac has a team of professionals focused on the renewable energy industry and dedicated to providing outstanding professional services. The firm's professionals have a thorough understanding of how tax credit financed transactions work. This knowledge and experience allows us to advise and guide various types of clients, including project

developers, tax equity investors, private equity interests and lenders through these complex transactions. Our ability to meet clients' needs in a thorough, efficient and creative manner helps our clients efficiently optimize the monetization of the tax benefits derived from tax credit financed renewable energy projects.

COMPREHENSIVE SERVICES FOR SPONSORS AND INVESTORS

PROJECT FINANCE/TRANSACTION ADVISORY

- Transaction structure advisory.
- Financial projection preparation and compilation services.
- Project finance support/advisory.
- Evaluation of tax equity investor term sheets.
- Construction and permanent debt advisory.
- Back-levered debt advisory/sponsor interest monetization.
- State rebate/renewable energy certificate (REC) contract analysis and advisory.
- Tax equity investor introductions.
- Transaction support services.
- Production tax credit "begun construction" safe harbor advisory services.
- General consulting.

TAX EQUITY INVESTOR SERVICES

- Evaluation of financial projections from investor perspective.

- Evaluation of investor GAAP earnings profile.
- Hypothetical liquidation at book value (HLBV) analysis.
- Calculation of noncontrolling interest-sponsor/developer.
- Investor internal rate of return (IRR) analysis.
- Investor return on investment (ROI) analysis.
- Call option pricing analysis.
- Asset management support schedules.
- Relationship liaison for transaction participants.
- Specialized professional development training services.
- Due diligence services.

ACCOUNTING AND TAX SERVICES

- Financial statement audits.
- Tax return preparation.
- Project cost certification audits/cost segregation reports.
- Financial projections—accountants' compilation report.
- Valuation (appraisal) reports/value letters.
- Production tax credit safe harbor accountants' reports.