



Image: Courtesy of Kathryn Crockett, White Oak Pastures Silicon Ranch regenerative ranching partners from White Oak Pastures in Bluffton, Georgia, holistically manage up to 2,000 sheep at Bancroft Station Solar Farm to restore the land to a functioning grassland ecosystem.



ENVIRONMENTAL AND CLEANTECH INFRASTRUCTURE

Expert project finance, transaction advisory, tax and accounting services related to the development and financing of renewable energy projects encompassing a wide array of competing technologies.

KNOWLEDGE ♦ EXPERIENCE ♦ SERVICE

KNOWLEDGE TO GUIDE INVESTORS, DEVELOPERS IN RENEWABLE ENERGY TAX EQUITY FINANCED TRANSACTIONS

Novogradac's environmental and cleantech infrastructure practice meets the demand of institutional tax credit investors looking to diversify their investment portfolios with financially viable and environmentally responsible investments. Novogradac served some of the earliest movers in the solar energy market as these renewable energy development companies recognized the value Novogradac brought to the table as experts in tax equity financed investments—and continues to do so. As a long-established service provider to developers and investors involved in tax credit financed developments, Novogradac exhibits a comprehensive understanding of the underlying tax, accounting, business and structuring issues that arise 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 thousands of RETC transactions and have been involved in upwards of several billion dollars in tax credit financings per year.

COMPREHENSIVE SERVICES FOR DEVELOPERS, SPONSORS AND INVESTORS

PROJECT FINANCE/TRANSACTION ADVISORY

- Transaction structure advisory
- Financial projection preparation and compilation services
 - Tax basis
 - GAAP basis
- Project finance support/advisory
- Evaluation of tax equity investor term sheets
- Evaluation of sponsor equity and debt term sheets
- Construction and permanent debt advisory (project level and/or back-levered)
- M&A advisory/Sponsor interest monetization advisory
- Tax equity investor, lender and cash equity investor introductions
- Transaction support services
- "Begun construction" safe harbor advisory services
- Accounting, financial and tax due diligence
- Quality of earnings analysis
- Hypothetical liquidation at book value (HLBV) analysis for sponsor
- Other related general consulting as requested

TAX EQUITY INVESTOR SERVICES

- Evaluation of financial projections from investor perspective
- Evaluation of investor GAAP earnings profile
- Hypothetical liquidation at book value (HLBV) analysis for investor
- 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
- Property tax projections
- Real property transfer tax advisory
- Property tax exemption and incentives advisory
- Sales tax exemption and incentives advisory

ACCOUNTING AND TAX SERVICES

- Financial statement audits, compilations and reviews
- Tax return preparation.
- Financial projection preparation—with accompanying accountants' compilation report
- Project cost segregation analysis and cost segregation report
- Various agreed-upon procedure reports

VALUATION AND CONSULTING SERVICES

- Valuation of proposed and existing renewable energy projects and other assets
- Purchase price allocations for GAAP and tax purposes
- Reasonableness analyses related to testing related-party fees
- Partnership interest/membership interest valuations
- Business valuations