
Table of Contents**Debt issuance costs**

Financing costs incurred in connection with obtaining construction and term financing are deferred and amortized over the maturities of the respective financing arrangements using the effective-interest method. The amortization of debt issuance costs is recorded in other expenses.

Commitment fees

Fees associated with commitment facilities that are not revolving lines of credit are deferred and amortized on a straight-line basis over the commitment period. The commitment period, as defined in the loan agreements, terminates at the earlier of actual COD, 140 days after scheduled COD, or the date of the full draw of the committed facility. For each of these loans, the commitment period expired at 140 days after scheduled COD. Amortization of commitment fees is recorded in other expenses, as of December 31, 2014, these fees have been fully amortized.

Derivatives

All derivative instruments are recorded on the combined balance sheet at fair value. As hedge accounting has not been applied, the movement in derivatives is reported directly in earnings.

Asset retirement obligation

The Operating Entities' asset retirement obligations relate to leased land upon which the solar energy systems were constructed. The Operating Entities are required to restore the leased land to an agreed-upon condition from the date construction of the asset commences. This would involve dismantling property, plant and equipment constructed on the leased land, and restoring the land to its pre-construction condition. The Operating Entities are required to record the present value of the estimated obligations as the solar energy systems are constructed. At the same time, a corresponding asset was capitalized to the solar energy systems' cost. The asset retirement obligations will be accreted to their future value over the terms of the land leases, and the amounts capitalized through COD will be depreciated over the remainder of the same term.

Commitments and contingencies

The Operating Entities are involved in litigation and claims in the ordinary course of business with possible gain or loss contingencies that will ultimately be resolved when one or more future events occur or fail to occur. If some amount within a range of loss appears at the time to be a better estimate than any other amount within the range, that amount will be accrued. When no amount within the range is a better estimate than any other amount, the minimum amount in the range will be accrued.

Management continually evaluates uncertainties associated with loss contingencies and record a charge equal to at least the minimum estimate liability for a loss contingency when both of the following conditions are met: (i) information available prior to issuance of the financial statements indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements; and (ii) the loss or range of loss can be reasonably estimated. Legal costs are expensed when incurred. Gain contingencies are not recorded until realized or realizable.

Commitments related to projects, consist of amounts contracted for but not yet incurred.

Fair value measurement

Management performs fair value measurements in accordance with ASC 820. ASC 820 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction

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