

From: Richard Kahn <[REDACTED]>

To: "jeffrey E." <jeevacation@gmail.com>

Subject: Fwd: ProSolar Proposal for: LSJ Micro-grid: 4.2mWh + 643kW, Energy Efficiency, and Inter-Island Cable Project

Date: Thu, 11 Jan 2018 23:00:40 +0000

Attachments: ProSolar_Proposal_-_LSJ_4.2mWh_Powerpack+_650kW_Solar.pdf

i only briefly reviewed and have not yet thoroughly analyzed

cost on proposal	3,713,861
cost after credit and depreciation	1,485,544

i explained to brad that we may not be able to take advantage of depreciation so at first glance numbers seem unrealistic

brad explained that they can install and own equipment for short period of time (1-3 years) so that they would take advantage of both federal credits and depreciation

i asked for more details on that and what other costs would be associated

i plan to do a call with their CEO tomorrow or next week

please advise on any other areas to focus on or if you would like to join call

thank you

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue 4th Floor
New York, NY 10022

tel [REDACTED]
fax [REDACTED]
cell [REDACTED]

Begin forwarded message:

From: [REDACTED]
Subject: ProSolar Proposal for: LSJ Micro-grid: 4.2mWh + 643kW, Energy Efficiency, and Inter-Island Cable Project
Date: January 10, 2018 at 3:21:39 PM EST
To: "Richard Kahn" <[REDACTED]>
Cc: "Kevin Alvarez" <[REDACTED]>, [REDACTED], [REDACTED]

Hi Rich,

I have attached a proposal for a complete **Solar Energy Micro-Grid Solution** for Little Saint James. This project can either stay connected to the grid or take you 100% off the grid so you never have to pay WAPA again. The system is comprised of 1,839(643kW) premium high wattage LG solar panels that will be mounted on every roof available in the generator/maintenance facility area. In order to produce enough solar to run the entire island we proposed three additional structures to be built. 2 structures will be connected to existing structures which will save you material costs. The third structure can be placed anywhere on the property but has been placed over the fueling station as seen in the proposal. Since most of your power purchased from WAPA is spent on R.O. I would like to propose adding a structure that has additional utility like water storage. If you build a large cistern we would cover it with solar panels and make water on days with extra solar production. Additional roofs also create opportunity to catch run-off and collect this water for irrigation.

The 650kW/4.2MWh Tesla Powerpack system has been designed to charge up from the 643kW solar array during the day and discharge throughout the night, just like your system on GSJ. This system, fully charged will power your island for 2 days with no sun and can trigger your 2 CAT generators to fire up if the system reaches a low battery set-point. The generator can charge the batteries in 4 hours if needed when a storm is approaching. In the event of your solar system malfunctioning the battery system could charge itself from the generator or the grid for a 4hrs-on and 48hrs-off schedule until the solar has been reinstated. All of these calculations have been based on an average consumption of 2 megawatt-hours per day, which has been determined with ProSolar monitoring equipment installed over a year ago.

I will conduct a 10 day energy efficiency study of both Little Saint James and Great Saint James in this contract with the goal of saving 10% of total energy consumption.

With this savings we can move forward with the Great Saint James connection to the Little Saint James micro-grid. Once connected we can utilize any extra power production from the 45kW solar farm powering GSJ, which would be otherwise wasted once the batteries have reached 100% capacity. ProSolar would like to play a major role in the electrical engineering and project management of the **Inter-Island Cable** connection.

The project has a high upfront cost but as you will see over 60% of the system costs can be recouped through the Investment Tax Credits(ITC) and the MACRS available for this investment. Please contact your CPA for exact savings.

Thank you for this incredible opportunity. We hope that the engineering and customer service you experienced with the Great Saint James Micro-Grid project will positively influence your decision to move forward on this state-of-the-art power solution initiative.

Project Time-line: 1 Year

Color Key:

ProSolar Micro-grid Action Items

LSJ Micro-grid Action Items

ProSolar Inter-Island Cable Action Items

LSJ Inter-Island Cable Action Items

February:

ProSolar Order of Tesla Powerpacks (6-8 Month Lead time)

ProSolar Engineering Study: (30 Days)

ProSolar Energy Efficiency Study: (10 Days)

LSJ builds additional structures - February - April (TBD)

ProSolar Energy Efficiency Implementation(10% savings goal) - February: (10 Days)

March:

ProSolar Micro-Grid DPNR Submittal

LSJ Additional Structure Permit Submittal

ProSolar meeting with LSJ engineering team to review bids and DPNR challenges

ProSolar Inter-Island Cable Vendor RFP Begins - March - April: (30 days)

April:

LSJ Inter-Island Cable Engineering finalization and DPNR permitting submission

May:

ProSolar Solar Construction Schedule: May - June: (45 Days)

LSJ Inter-Island Cable Project begins: May - December (120 Days)

July:

ProSolar Powerpack Construction Schedule: July - August: (40 Days)

September:

ProSolar Powerpack Delivery and Installation: September - November (10 Days)

ProSolar Supervision of Inter-Island Cable Connection(20 Days)

December:

ProSolar / Tesla Commissioning and System Testing - December (5 Days)

*ProSolar Energy Efficiency equipment and construction labor is not included in this proposal.

**ProSolar Inter-Island Cable labor is not included in this proposal.

Thank you again,
Brad Spernak, VP of Technical Operations

----- Original Message -----

Subject: Re: LSJ Solar + Powerpack Proposal

From: "Richard Kahn" <[REDACTED]>

Date: 1/10/18 11:15 am

To: "Brad Spernak" <[REDACTED]>

whatever you prefer is ok with me
thanks

Richard Kahn
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t
f
c [REDACTED]

> On Jan 9, 2018, at 8:33 PM, Brad Spernak <[REDACTED]> wrote:

>

> Hi Rich, I've completed the proposal to take your island, and future islands, off grid. How would you like to review the proposal? Would you like to review it with Q & A before putting it in front of the principal.

>

> Brad Spernak

|> VP of Technical Operations

