



The KB Bulletin

February
2018

Our Year in Review

KB Racking had a pretty exciting year that saw many new additions to the team! We completed 97 projects all across Canada and the USA and are looking to make this year, an even more productive one! **We are very proud to release our first edition of the KB Bulletin Newsletter. There have been a lot of exciting updates and we want you to be the first to hear about it!**

Tradeshows Recap

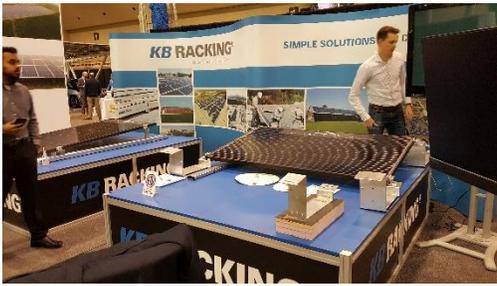
Last December, our Sales Manager Adam McKinley and his team attended the CANSIA Solar Canada tradeshow in the beautiful city of Toronto, Ontario. The EkonoRack enhanced was presented and the KB Racking staff made numerous connections with key players in the solar world. Here, Adam talks about how the tradeshow went and what the Sales team has in store for 2018.

Our primary objective was to give our clients and future business partners, the opportunity to see the simplicity of our system, as well as give some of our current clients the opportunity to meet our team face to face. It's always nice to put a face on someone you have been working directly with!

I would like to see some of the younger companies in the market attend Solar Canada, whether just to make a presence or to further their understanding of the market. Most companies we ran into had been around for quite some time.

The solar industry is a very close-knit community. The idea of creating a green planet tends to be a general goal and creates a "family" feel to the industry that is unseen in many other markets. It is definitely something to appreciate.





For 2018, KB Racking is taking a new approach with its clients: we are convinced that will help our fellow solar partners close more deals, find the products and services they need as well as help grow their business. Along with the revamp of our products and international expansion, this makes 2018 a very exciting year for the entire team!

EkonoRack Enhanced

KB Racking has improved its most popular system, the EkonoRack, to create an even more competitive racking solution for flat roof projects! The recent design refinements have resulted in an easier to install model which also became more cost effective!



EKONORACK Support Features

Cost Effective

The improved design has resulted in material cost savings for all components

Mechanically Tested

The system has been rigorously tested to ensure that its performance is on par with our high quality standards

Versatile

In addition to customizable row spacing and system tilt, the updated footprint allows for the system design to easily avoid obstructions, and install on complex roof layouts.

Meet the KB Racking Team



Peter Aulich

Chief Executive Officer



Chaka Kounou

Manager, Project Management & Marketing



Kevin Ramsaran

Project Manager & Engineering Lead



Mallory McKay

Business Development - Mexico



Nico Correa

Project manager & Marketing Coordinator



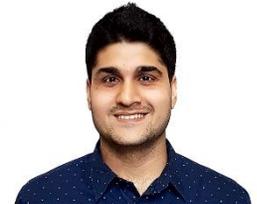
Krishan Rampersad

Project Manager



Thopikaran Pirabakaran

Junior Project Manager



Meekaeel Kurji

Project Coordinator



Samira Sanaee
Project Manager Intern



Arjun Gogna
Product Developer



Harvinder Sharma
Supply Chain & Logistics
Coordinator



Diwaker Dabral
Technical Sales & Project
Assistant



Adam McKinley
Sales Manager



Eugene Kinzburg
Regional Account Manager



Chris Temperley
Regional Account Manager



Blair Hohol
Regional Account Manager



Natalie Zavaglia
Human Resources Manager &
Talent Coach



Natacha Sika
Office Coordinator



Steve Kiesling
Chief Financial Officer



Christian Wentzel
Chairman

New Addition to the KB Racking Team!



KB Racking welcomes Meekaeel Kurji as its newest Project Coordinator!

We're very excited to welcome our newest Project Coordinator Meekaeel Kurji to KB Racking. He obtained his Bachelor in Mechanical Engineering at the University of Toronto and made the Dean's list. Meekaeel will be bringing on board his experience in design, manufacturing and project management.

KB Racking in the Community

On the occasion of “Giving Tuesday”, KB Racking was one of the organizations who partnered up with the Solar Foundation to contribute to the initiative “Solar Saves Lives” to bring electricity to Puerto Rico and the U.S. Virgin Islands.

Today, more than half of Puerto Rico's population is still without power, and one in ten people don't have drinkable water. Lives are disrupted, businesses are shattered, and urgent health care needs are left unmet. Officials say it's likely that hundreds have died as a direct result of Hurricane Maria and in the aftermath due to a lack of food, medicine, and resources.



Our help ensured that we delivered solar to high-priority locations and brought food and medical care where it's needed the most.

Solar Saves Lives has brought together the solar industry to deliver panels, battery packs, portable solar equipment, and other supplies that can make

an immediate impact. We are working with some of the most impactful organizations in the area, including Operation Blessing International, and Direct Relief to ensure the supplies arrive and are distributed/installed quickly and efficiently.

For more information about Solar Saves Lives and details on how you can help, visit SolarSavesLives.org.

10 Predictions for Community Solar in 2018

From an evolving market structure to technology innovation, the community solar landscape is transforming quickly. What does this mean for 2018? **Clean Energy Collective (CEC)**, the nation's leading community solar developer and solutions provider, forecast what is on the horizon for community solar. CEC's experts offer the following 10 predictions for 2018.

“We are inspired by the surging demand for renewables and the expectation that community solar will play a leading role in solar's growth for years to come” said Paul Spencer, CEC Founder and CEO.

1. Strategic partnerships will accelerate the drive to scale. 2017 saw solar financiers and asset owners looking to become more involved in the earlier stages of community solar development, seeking the potential for stronger profits indicative of this asset class; evidenced by CEC's joint development agreement with ENGIE. Leveraging shared financial and technological resources will accelerate the development and deployment of more and larger community solar portfolios in 2018, broadening access to shared renewables to a significantly wider customer base.

2. External factors will intensify the focus on cost-effectiveness. Equipment costs are continuing to fall, but declines are slowing. Rising interest rates, rising interconnection costs, potential import tariffs, and potential changes to the federal tax code will provoke an even greater focus across the solar industry on optimizing program design, integration, and management to maintain community solar's pace of growth. (See #4 regarding technology.)

3. Commercial and industrial customers will take a larger share of capacity. Solar procurement by commercial and industrial customers grew substantially in 2017 as more businesses looked to renewable energy for cost savings and to boost their sustainability credentials. One of the most critical strategic initiatives for utilities is allowing key C&I customers to procure renewable energy from a dedicated offsite facility/program via community solar. Like residential customers, shared off-site

generation expands the accessibility of renewables purchases beyond the Fortune 100 to medium and small companies that lack the resources for separate project development. In 2018, community solar will take a lead role in providing commercial and industrial companies with a path to renewable energy.

4. Demand for technology will increase from both asset developers and owners. 2017 saw effective progress toward reducing the complexities of community solar programming by standardizing policies, procedures, and technologies where possible. Enterprise-level software opened the gates to greater efficiency and accuracy throughout the proposal, e-commerce, and customer engagement processes. For 2018, the integration of multi-megawatt projects and portfolios means integrating with significantly more utilities and engaging an exponentially larger number of customers. The biggest winners in 2018 will be IT solutions that seamlessly manage customer acquisition, credit allocation, and collections with lower costs and less risk through automation, not only for single community solar programs but for entire energy portfolios. CEC is investing significantly in advancing its Community Solar Platform and IT architecture to continue to shape and serve the next-generation of community solar programs and community solar customers.

5. Data security will be a key value proposition. As the shift to mobile and cloud technologies becomes the norm in most industries, data vulnerability is top-of-mind for all IT administrators. Data security processes and planning for community solar programming, particularly regarding the requisite software administering bill credits and customer benefits, is vital for the protection of utilities, consumers, and the grid. 2018 will see an increased focus on available and emerging technologies delivering information security to meet the industry's rigorous requirements. Security certification of community solar software solutions will quickly become the norm, raising the bar in solution maturity similar to financial technology solutions.

6. Project finance and product strategies will move closer to balance. Expanding project financing options and sources is still at odds with the move toward more consumer-centric products. Both purchase and subscription programs have been subject to relatively strict terms from finance partners, limiting flexibility in product strategy. We believe 2018 will be turning point toward more adaptable financing as additional risk mitigations emerge and the finance market better understands the reduced risks inherent in community solar solutions. New technologies for acquiring and engaging customers, increasing participation by investment-grade companies, and further validation of community solar's low customer default and streamlined ability to re-subscribe replacement customers will allow for shorter contract terms, reduced credit score thresholds, and an overall enhanced customer buying experience.

7. Big capital will move into the market. The underlying variables of community solar programming – like multiple customer profiles, unique technology requirements, and maintaining full subscribership – has been thorny for capital markets. However, in 2017 we saw a slow but measured migration from boutique investors to the more mainstream financial community. Bigger financial players are becoming more familiar and comfortable with community solar's long, optimized assets and predictable cash flows, and are now turning their focus to addressing the mechanisms for market development. 2018 is the year large institutional investors will move in, positioning community solar as the next place to put low-risk capital at scale.

8. Utilities will launch larger programs more frequently. Many utilities blazed the community solar trail in 2016 and 2017 to integrate DER solutions and satisfy customers. Several of the U.S.' largest utilities now have operational community solar programs, and dozens more have initiated programs — in regulated and deregulated markets, by investor-owned, cooperative, and municipal utilities. Such pervasive exposure has provided sufficient evidence for the best practices that allow for low-risk, cost-appropriate, and highly engaged community solar programs. In 2018, we expect less “piloting” by first-time utilities and more comprehensive, full-scale deployments by those currently testing programs. This move to scale will provide further economic efficiencies, driving even more benefit to utilities and customers.

9. Prevailing policy will accelerate market development. Advanced tools and resources are emerging to help policymakers, regulators, and advocates navigate tariff and compensation strategies, incentives, land use and siting criteria, interconnection issues, consumer protections, and more to balance a market's diverse interests and a program's economic viability. In 2018, state policy development will take on a renewed urgency, and we expect to see community solar raised as a key platform item in state and federal elections in November. Streamlining adoption of well-vetted enabling policies and regulatory frameworks in slower-to-adopt states will translate into faster legislative action, fewer pilot programs, and more receptive markets.

10. Uncertainty at the federal level will temper enthusiasm. Despite all the positive indicators, unknown risks at the federal level could pose new challenges for the industry in 2018. Complications from a possible ITC tariff, the federal tax overhaul, continued anxiety with EPA policy direction, and the DOE's renewed interest in coal are ingraining a degree of uncertainty that is difficult to quantify. On the positive side, the solar industry is gaining momentum through increasing numbers of legislators and government officials across the country supporting community solar thanks to a well-informed base of industry advocates. This advocacy is fueled by solar industry associations, executives, employees, customers and enthusiasts, and in 2018 we will see an even stronger and louder coalescence of stakeholders with an amplified grass roots movement that will more deeply engage with elected officials and regulators. Equally important, rapidly declining solar costs are allowing solar to become a much larger part of the national energy mix simply due to its recent status as a low-cost power solution. This fact has increased utility support for many pro-solar initiatives.

Clean Energy Collective | <http://www.cleanenergyco.com>

UNTIL NEXT ISSUE!

