

March 16, 2010

Trinity Methodist Church
6151 W. Charleston Blvd.
Las Vegas, NV 89146

Dear Trinity Methodist Church

We are pleased to submit a proposal for your solar electric energy system. Solar electric systems are environmentally friendly and reduce your reliance on energy from the utility. Instead of renting your electricity from your utility, you can now own your own clean energy production.

We have designed a system that achieves the best energy cost savings for you. This includes an analysis of your energy requirements, a study of the best energy production design and the application of any available state and federal rebates.

We are committed to a quality installation and to ensuring your total satisfaction with our products and service. The next step is signing the necessary agreements so we can reserve your rebate and begin the engineering and permitting processes. This proposal is valid for 30 days.

We look forward to helping you achieve energy independence, make a positive environmental impact, and ensure a great investment. Please contact us with any questions.

Tim Fromhart
Tel: 702-463-0024

Summary

Customer
Trinity Methodist Church

Site Address
6151 W. Charleston Blvd.
Las Vegas, NV 89146

Company Contact
Tim Fromhart
Service 1st Energy Solutions
5643 W. Charleston blvd. #4
Las Vegas, NV 89146

Financial Analysis			
Utility Savings Over System Life	\$597,652 \$1,992 / mo (avg)	Reduction in Green House Gas Emissions	1,342 tons of CO2
Total Life-Cycle Payback (Cash Flow compared to Net Cost)	1,780%	Rate of Return on Cash Invested	36.0%
Levelized Cost of Solar Energy	\$0.02 / kWh		

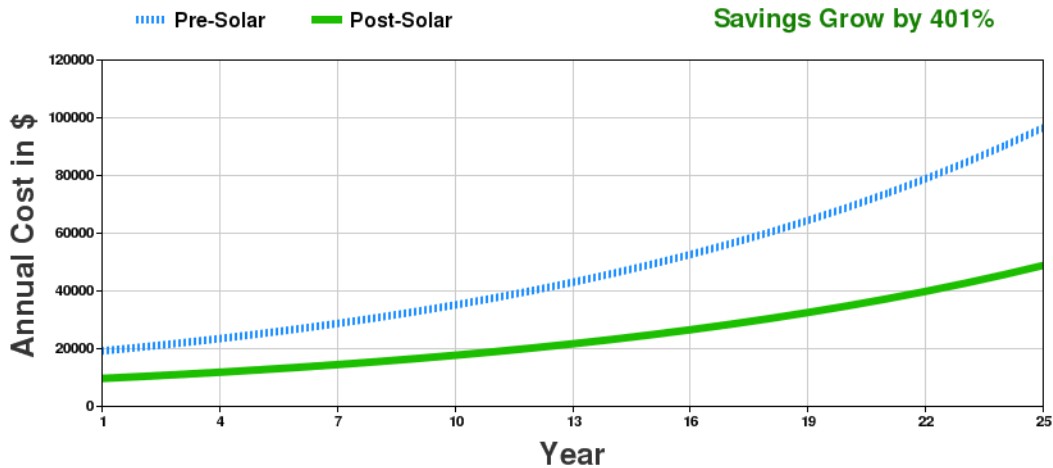
Cost Breakdown		
Installer Contract Cost	\$258,201	(\$4.81/watt DC, \$5.71/watt AC)
NV RenewableGenerations Rebate Program (Step 1)	(\$226,029)	
Net Cost (year of installation)	<u>\$32,172</u>	(\$0.60/watt DC, \$0.71/watt AC)

System Description	
Total System Size	53.680 kW DC Power (STC) / 45.206 kW AC Power (CEC)
Estimated Annual Production	78,373 kWh
PV Panel Description	244 x Grape Solar Model: CS-P-220-DJ
Inverters	Area 1: Qty. 3 - Fronius USA LLC Model: IG Plus 10.0-240 Area 2: Qty. 2 - Fronius USA LLC Model: IG Plus 10.0-240

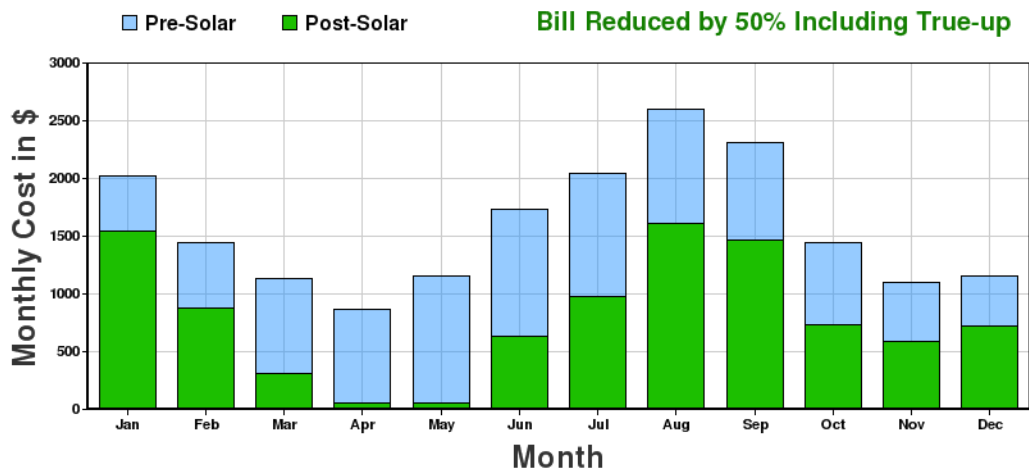
Energy Analysis

Your historical energy usage was used to help size your solar system. Based upon the system size suggested, the expected electricity bill savings over a 25 year period are provided. In addition, the first-year electricity bill savings you can expect are provided together with a chart of the monthly solar system output (PV production) you can expect.

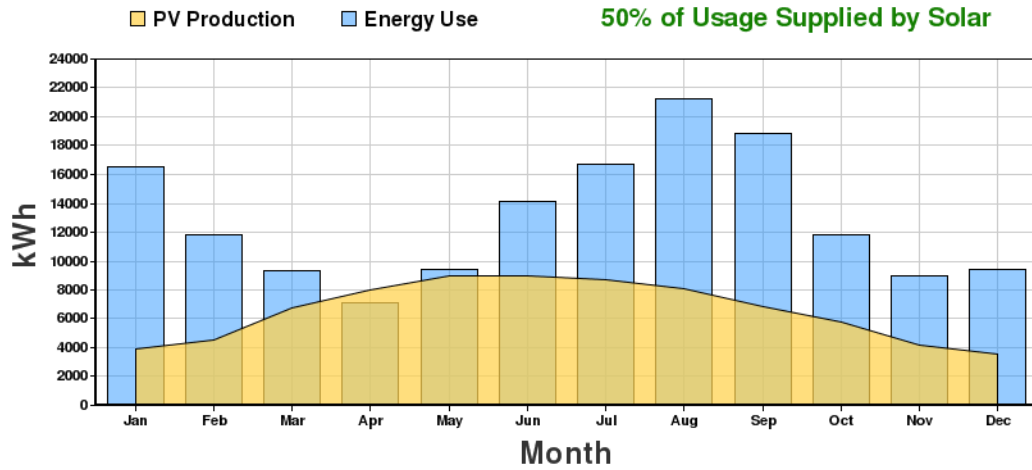
Annual Electricity Bill Savings Over Time



Monthly Electricity Bill Savings



Monthly Electricity Use and Amount Supplied by Solar



Assumptions: Post-Solar Electric Rate Schedule for NV Energy (fmr Nevada Power Company) is Large Residential Service (Rate Code: LRS) Annual utility inflation: 7.00% (assumed). Energy Bill Savings are actual, without any tax effects applied.

Energy Bill Estimate

The following energy bill estimate is without any tax effects applied.

(kWh)	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Annual</u>
Total Usage	16.5k	11.8k	9,300	7,068	9,424	14.1k	16.7k	21.2k	18.8k	11.8k	8,990	9,424	155k
Solar Production	3,905	4,563	6,723	8,025	9,018	9,005	8,750	8,065	6,844	5,771	4,174	3,529	78.4k
Energy to Purchase	12.6k	7,217	2,577	-957	406	5,131	7,990	13.1k	12.0k	6,009	4,816	5,895	76.8k

(Cost)	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Annual</u>
Pre-solar*	\$2,019	\$1,442	\$1,138	\$865	\$1,154	\$1,730	\$2,049	\$2,595	\$2,307	\$1,442	\$1,100	\$1,154	\$19.0k
Post-solar*	\$1,541	\$883	\$315	\$60	\$60	\$628	\$978	\$1,608	\$1,469	\$736	\$590	\$722	\$9,590
Annual Bill "True-up"	Credit for excess electricity generated (month of credit depends on interconnect date)											\$117	\$117
Energy Bill Savings	\$478	\$559	\$823	\$805	\$1,094	\$1,102	\$1,071	\$987	\$838	\$706	\$510	\$549	\$9,522

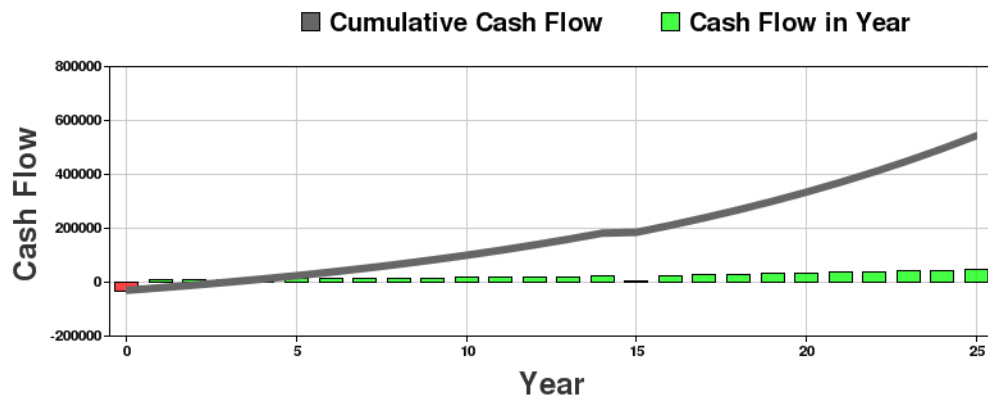
*Includes rate inflation

NOTES ON TRUE-UP AND ENERGY BILL SAVINGS:

The Energy Bill Savings is your Pre-solar Bill minus the Post-solar Bill, plus the True-up. The "credit for excess electricity generated" is limited by your bill during the year: it cannot be greater than your Energy Charges, which are your Post-solar Bill minus any minimum charges. The True-Up Credit you see on your statement may be greater than this, and is available to offset higher Energy Charges you may incur in the future.

Financial Analysis

The first chart summarizes the cash flow you can expect from the system quoted. Key financial measures are also provided.



Financial Summary	
Utility Savings Over System Life	\$597,652
Average Monthly Utility Savings	\$1,992 (over system life)
Loan Value:	\$0
Net Cost (In year of installation)	\$32,172
Rate of Return on Cash Invested	36.0%
Total Life-Cycle Payback (Cash flow compared to Net Cost)	1,780%
Levelized Cost of Solar Energy (Net Cost / lifetime energy production)	\$0.02 / kWh

Environmental Impact Analysis

Your solar system will generate significant environmental benefits. These come primarily from avoided power plant emissions. Below is a summary of environmental benefits your solar system will provide.

Your New, Lower Carbon Footprint	
Your solar system will reduce Green House Gas emissions by 1,342 tons of CO2 (Over 25 years)	
Equivalent CO2 Reductions	
Small Car:	4,549,492 miles
Medium Car:	2,440,182 miles
SUV:	1,709,682 miles
Air Miles:	2,767,216 miles
Trees Planted:	53,684 trees planted
CO2 from Trash & Waste:	2,440 persons

Cost Detail & System Description

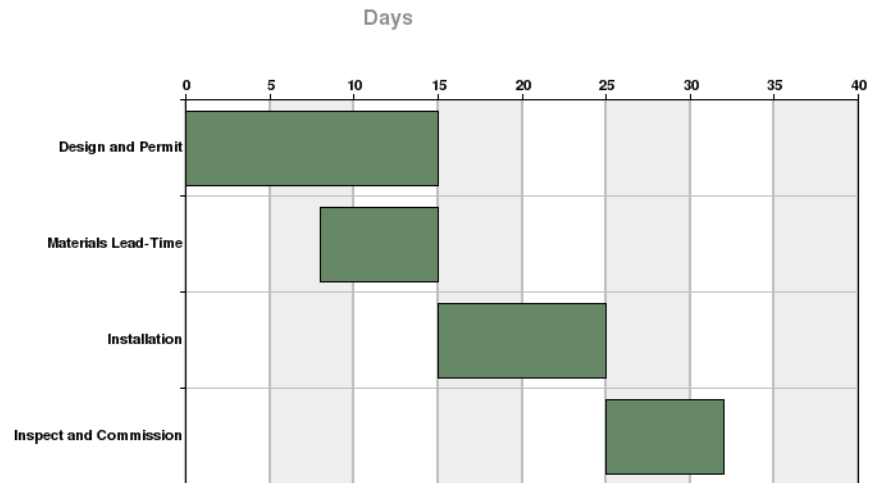
This is a summary of the cost and a description of the solar system we are quoting.

Net Cost Detail	
Gross Cost	\$258,201
Total Incentives: (In year of installation)	(\$226,029)
Net Cost: (In year of installation)	\$32,172
Contract Cost:	\$258,201

System Description		
Total System Size:	53.680 kW DC Power (STC) 47.336 kW (PTC) 45.206 kW AC Power (CEC Size)	
Net Cost per Watt:	\$0.60 / Watt DC Power (STC) \$0.68 / watt (PTC) \$0.71 / watt AC Power (CEC Size)	
Estimated Annual Production:	78,373 kWh	
	Array 1	Array 2
Proposed Array Sizes (STC):	35.200 kW	18.480 kW
Number of PV Panels:	160	84
PV Panel Description:	Grape Solar Model: CS-P-220-DJ 220W Polycrystalline Module	
Inverters:	Qty. 3 Fronius USA LLC Model: IG Plus 10.0-240 10000W (240Vac) Utility Interactive Inverter	Qty. 2 Fronius USA LLC Model: IG Plus 10.0-240 10000W (240Vac) Utility Interactive Inverter
Output due to Shade Factors:	100%	100%
Array Area & Orientation:	Roof Mount: 3,250 sq-ft Tilt: 2°, Azimuth: 180° (S)	Roof Mount: 1,750 sq-ft Tilt: 2°, Azimuth: 180° (S)

Job Schedule

The job schedule provided below summarizes our schedule for meeting four key milestones.



Cash Flow by Year

The following table of estimated cash flows includes any tax effects, rate and cost inflation and other time-related cash flow factors. Refer to the Disclaimers & Assumptions section (below) for further clarification.

Year:	0	1	2	3	4
Installation, Operation & Maintenance Costs	(\$258,201)	(\$130)	(\$131)	(\$133)	(\$134)
NV RenewableGenerations Rebate Program (Step 1)	\$226,029	\$0	\$0	\$0	\$0
Annual Utility Savings (Includes Rate Inflation)	\$0	\$9,522	\$10,184	\$10,890	\$11,648
Total Annual Cash Flow	(\$32,172)	\$9,392	\$10,053	\$10,757	\$11,514
Cumulative Cash Flow	(\$32,172)	(\$22,780)	(\$12,727)	(\$1,970)	\$9,544

Year:	5	6	7	8	9
Installation, Operation & Maintenance Costs	(\$135)	(\$137)	(\$138)	(\$139)	(\$141)
NV RenewableGenerations Rebate Program (Step 1)	\$0	\$0	\$0	\$0	\$0
Annual Utility Savings (Includes Rate Inflation)	\$12,457	\$13,321	\$14,247	\$15,237	\$16,295
Total Annual Cash Flow	\$12,322	\$13,184	\$14,109	\$15,098	\$16,154
Cumulative Cash Flow	\$21,866	\$35,050	\$49,159	\$64,257	\$80,411

Year:	10	11	12	13	14
Installation, Operation & Maintenance Costs	(\$142)	(\$144)	(\$145)	(\$146)	(\$148)
NV RenewableGenerations Rebate Program (Step 1)	\$0	\$0	\$0	\$0	\$0
Annual Utility Savings (Includes Rate Inflation)	\$17,428	\$18,638	\$19,933	\$21,317	\$22,798
Total Annual Cash Flow	\$17,286	\$18,494	\$19,788	\$21,171	\$22,650
Cumulative Cash Flow	\$97,697	\$116,191	\$135,979	\$157,150	\$179,800

Year:	15	16	17	18	19
Installation, Operation & Maintenance Costs	(\$21,338)	(\$151)	(\$152)	(\$154)	(\$155)
NV RenewableGenerations Rebate Program (Step 1)	\$0	\$0	\$0	\$0	\$0
Annual Utility Savings (Includes Rate Inflation)	\$24,381	\$26,075	\$27,886	\$29,824	\$31,895
Total Annual Cash Flow	\$3,043	\$25,924	\$27,734	\$29,670	\$31,740
Cumulative Cash Flow	\$182,843	\$208,767	\$236,501	\$266,171	\$297,911

Year:	20	21	22	23	24	25
Installation, Operation & Maintenance Costs	(\$157)	(\$159)	(\$160)	(\$162)	(\$163)	(\$165)
NV RenewableGenerations Rebate Program (Step 1)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Utility Savings (Includes Rate Inflation)	\$34,111	\$36,481	\$39,015	\$41,724	\$44,623	\$47,723
Total Annual Cash Flow	\$33,954	\$36,322	\$38,855	\$41,562	\$44,460	\$47,558
Cumulative Cash Flow	\$331,865	\$368,187	\$407,042	\$448,604	\$493,064	\$540,622

Disclaimers & Assumptions

Operation, Maintenance and Inflation Rates

This estimate assumes the following system operating, maintenance and inflation rates:

System Life:	25 years
Operation & Maintenance:	0.05% of system cost per annum
PV Degradation:	0.05% per annum
Inverter Life:	15 years
O&M and Inverter Replacement Inflation:	1.0% per annum

System Size Ratings & Performance

There are three methods commonly used to rate PV system size: STC, PTC and CEC. The Standard Test Condition rating ("STC" also called "DC" or "nameplate") assumes a standard set of operation conditions. The STC rating is most often used by manufacturers to classify the power output of PV modules. The PV-USA Test Condition ("PTC") and California Energy Commission ("CEC") ratings were designed to accommodate operating conditions which may be a closer approximate to the performance realized from your PV modules.

To calculate the system's energy production over any given year, a calculation of the expected degradation in system performance is included (See "PV Degradation", above).

Tax Credits & Deductions

Income tax rate assumed: 0.00%

To calculate the estimated cash flow in this proposal, our analysis used the tax rates you provided earlier in the set-up. We should stress that we cannot provide tax or investment guidance. You should consult your tax preparer or investment adviser for these services. This analysis calculates the cash flows based only on the assumptions entered into the proposal.

This analysis assumes Federal income Tax is not applied to any state or local incentives. Therefore, the basis for the Federal ITC is the installation cost less 100% of any and all state or local incentives.

Commercial:

In calculating the cash flow for a business, our analysis assumes that your beginning utility expense is a tax

deductible business expense. Since your beginning utility bill will be reduced by installing the solar energy system, our analysis takes this into account.

It also assumes that when you install your solar energy system, you will be able to receive tax benefits from the investment tax credit, depreciation of the equipment, annual maintenance expense, and interest used in financing. Unlike a residential system, the financing does not have to be secured by real estate in order for the interest to qualify as a tax deduction. Clean Power Finance can arrange this financing for you.

MACRS Depreciation: Any commercial entity that invests in or purchases qualified solar energy property may use the Modified Accelerated Cost Recovery System (MACRS) accelerated depreciation schedule: Year 1=20.00%, Year 2=32.00%, Year 3=19.20%, Year 4=11.52%, Year 5=11.52%, Year 6=5.76%. This analysis assumes Federal income Tax is not applied to any state or local incentives. Therefore, the basis for depreciation is the installation cost less 50% of any Federal energy tax credits less 100% of any and all state or local incentives received in year 0. See IRS Publications 946 and 587.

In this analysis, year 0 is the year in which the solar energy system is installed. Our analysis assumes that you will receive the Investment Tax Credit and apply it to your income tax for year 0.

For all following years, tax deductions are applied to the year in which they occurred. The tax effect of deductions in year 1 are applied to year 1, and so forth.

Annual Utility Savings

For an individual, electric bills are not usually deductible against income taxes.

For a business, electric bills are usually deductible against income taxes. Our analysis takes into account the change in tax deduction due to the PV system. Cost inflation assumed for the utility rate and degradation of system performance are also taken into account.

Average Monthly Utility Savings

"Average Monthly Utility Savings" is the average annual utility bill savings expected across the system life. This takes into account utility rate inflation and any expected degradation in system performance. This estimate has not assumed any changes in the amount or timing in your building's energy use.

Rate of Return (IRR) on Cash Invested

"Internal Rate of Return (IRR) on Cash Invested" is the rate of return (annual compounded) that the cash flows (savings, incentives, tax benefits, etc.) bring based upon the amount of cash invested upon installation. If you

financed your system 100%, IRR does not apply since you did not actually invest cash.

Total Life-Cycle Payback

"Total Life-Cycle Payback" is the rate of return (%) the invested Net Cost (in the installation year) yields over the system's expected life. The Net Cost does not include incentives which may materialize in later years, such as tax credits or deductions or production rebates. This calculation is not adjusted for the time-value of money.

Levelized Cost of Energy

"Levelized Cost of Energy" is an approximation of the average cost of energy from your solar system. To determine Levelized Cost the system Net Cost (in the installation year) is divided by the amount of energy produced over the system life. For this calculation, energy produced over system life is limited to the annual energy demand of the building times assumed system life in years. The Net Cost does not include incentives which may materialize in later years, such as tax credits or deductions or production rebates. This calculation is not adjusted for the time-value of money.

Environmental Analysis

Small car emissions calculated on .59 pounds emissions per passenger, per mile. Medium car emissions calculations based on 1.1 pounds of carbon dioxide emissions per mile. SUV/4 wheel drive carbon dioxide emissions based on 1.57 pounds per mile.

Air travel emissions based on 0.97 pounds per passenger mile, based on a Boeing 747 at average USA capacity and calculated per person. Train travel calculations based on average occupancy of intercity train.

Tree offset calculation is based on a tree planted in the humid tropics absorbing on average 50 pounds (22 kg) of carbon dioxide annually over 40 years - each tree will absorb 1 ton of CO2 over its lifetime; but as trees grow, they compete for resources and some may die or be destroyed - not all will achieve their full carbon sequestration potential. This calculator assumes that 5 trees should be planted to ensure that at least one lives to 40 years or that their combined sequestration equals 1 ton.

General waste is based on the USA average carbon dioxide emission equivalent of 1,010 pounds per person per year.

Sources: [Sightline Institute](#), [Trees for the Future](#) and [USA Environmental Protection Agency](#)

Electric Utility Rates & Assumptions

Utility:	NV Energy (fmr Nevada Power Company)
Rate Name (Post Installation):	Large Residential Service

Rate Code:	LRS
Annual Inflation:	7.0% (assumed)

Utility Electric Rate Inflation: Historical References

In 2006, the average retail electricity price for all customers across the United States rose to 8.9 cents per kWh, a sharp increase of three-fourths of a cent from the 2005 price level. The 9.3 percent increase was the largest since 1981.

Fourteen States and the District of Columbia saw the average price of electricity rise by 10 percent or more from 2005 to 2006. Prices increased in all regions of the country but most of the larger increases occurred in the East. Another 14 States saw increases between 5 and 10 percent between 2005 and 2006. States with restructuring programs such as Maryland and Delaware had portions of their retail electricity price caps lifted in 2006, contributing to significant price hikes.

Average industrial prices increased to 6.2 cents per kWh, or 7.5 percent above 2005. Average commercial prices increased to 9.5 cents per kWh, a 9.1 percent increase. In Texas, where the largest volume of industrial sales on a State level occurs, industrial prices increased almost 10 percent. About two-thirds of the industrial market in Texas is now served by energy service providers. Of the remaining one-third, investor-owned utilities served 17.1 percent; distribution cooperatives served 7.5 percent, and municipal utilities 6.2 percent. In the six New England States, average industrial prices increased more than 28 percent.

Residential prices increased to 10.4 cents per kWh, almost a cent, or 10.1 percent, between 2005 and 2006. Average residential prices rose sharply in New England and the West South Central Census Divisions as Connecticut and Texas had large price increases for the second year in a row. Delaware had the highest average residential price increase at almost 30 percent.

Source: http://www.eia.doe.gov/cneaf/electricity/esr/esr_sum.html
