



Making The Business Case For Renewable Energy Investments

Featuring: 





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Agenda

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Meet Your Host

Tony Unkel

Business Development Manager at The Entrust Group



Years at Entrust



Educating investors and professionals
on tax-preferred retirement accounts

About Entrust



\$4B

Assets Under
Management



22k

Accounts



39

Years of
Service



1

Point of
Contact

About Entrust



- Self-Directed IRA administrators
- Knowledgeable staff with CISP designations
- Nationwide offices
- National CE program
- In-person events and webinars
- Annual IRA academy

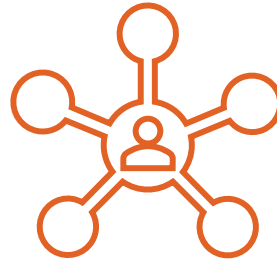
What is a Self-Directed IRA?

- A retirement account in which the individual investor is in charge of making all investment decisions
- Greater opportunity for asset diversification outside of traditional stocks, bonds, and mutual funds
- All securities and investments are held in an account administered by a custodian or trustee

Benefits of Self-Direction



Take Control



Diversification



Tax Benefits



Making the Business Case for Renewable
Energy Investments

Presenters



Mike Silvestrini
Managing Partner



- Former President, CEO and Co-Founder of Greenskies Renewable Energy, a leading U.S. C&I solar developer and asset manager. Built business from the ground up to become the largest C&I solar installer in 2016. Marquis customers include Walmart, Amazon and Target.
- Sourced and closed over \$500M of project financing to support the development of over 400 solar projects across 23 states, from California to South Carolina.
- Served as Peace Corps volunteer in Mali, West Africa.
- National Merit Scholar and MA from Boston University, and BA from Colorado State University. Completed executive program in private equity and venture capital at Harvard Business School



Tyler Hurlburt
Head of Investor Relations



- Former licensed Financial Advisor and Wealth Manager at Fortune 500 firms such as Ameriprise, Prudential, Wells Fargo and TIAA.
- Over 20 years experience within the financial service industry.
- Extensive experience in portfolio management, risk mitigation, tax and estate planning.
- BS Marketing from The University of Connecticut. MBA Organizational Leadership and Sustainability from Saint Joseph's University.



“Today we are on the cusp of another transformation. Better technology and data are enabling asset managers to offer customized index portfolios to a much broader group of people – another capability once reserved for the largest investors. As more and more investors choose to tilt their investments towards sustainability-focused companies, the tectonic shift we are seeing will accelerate further.”

-Larry Fink, CEO BlackRock

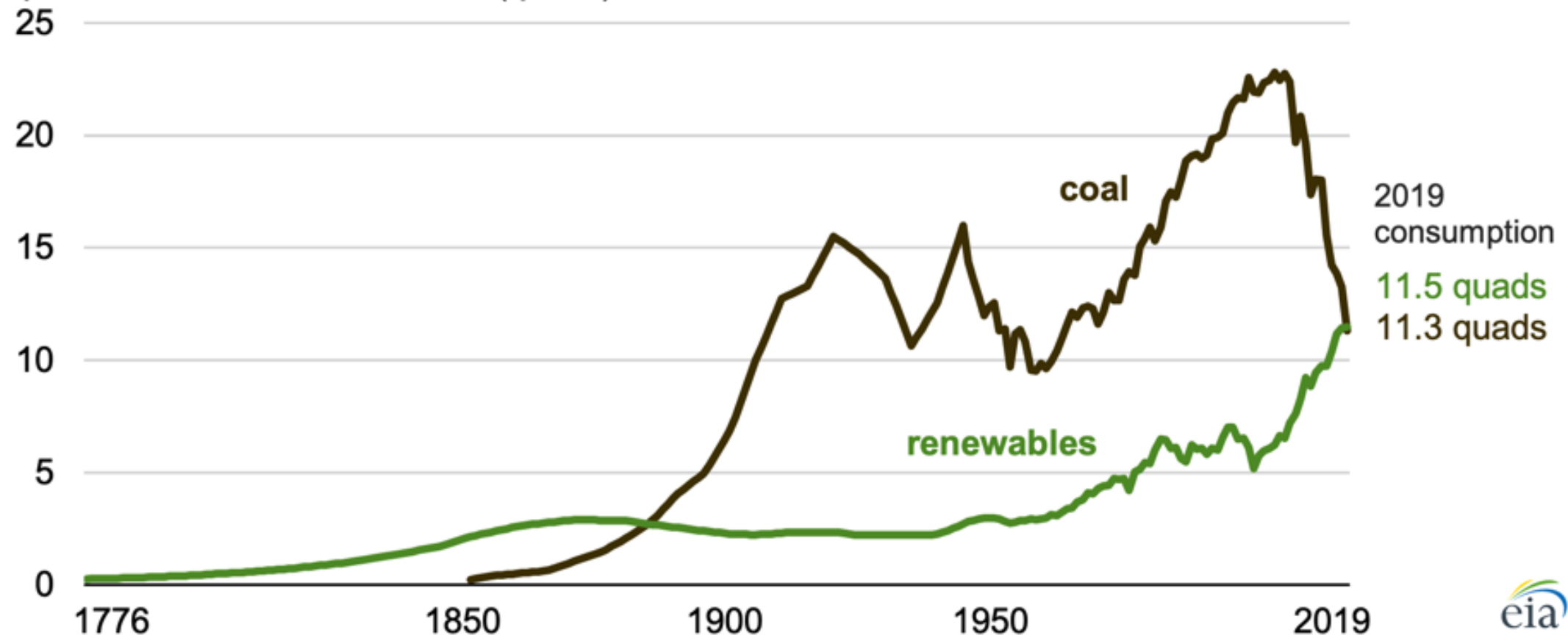
ESG Investing



Growth in Renewables

U.S. coal and renewable energy consumption (1776-2019)

quadrillion British thermal units (quads)



Evolution of Renewable Energy Investments

1975-2005

Cottage Industry

Jimmy Carter's White House had solar panels

2007-2010

Manufacturing Scales

VC targets solar equipment manufacturers - mixed results

2015-2018

Institutionalization

Rise of the Yieldco – publicly traded asset managers focus on large-scale utility projects

2006-2007

Europe Goes First

FIT introduced in Germany, Spain and Italy

2010-2015

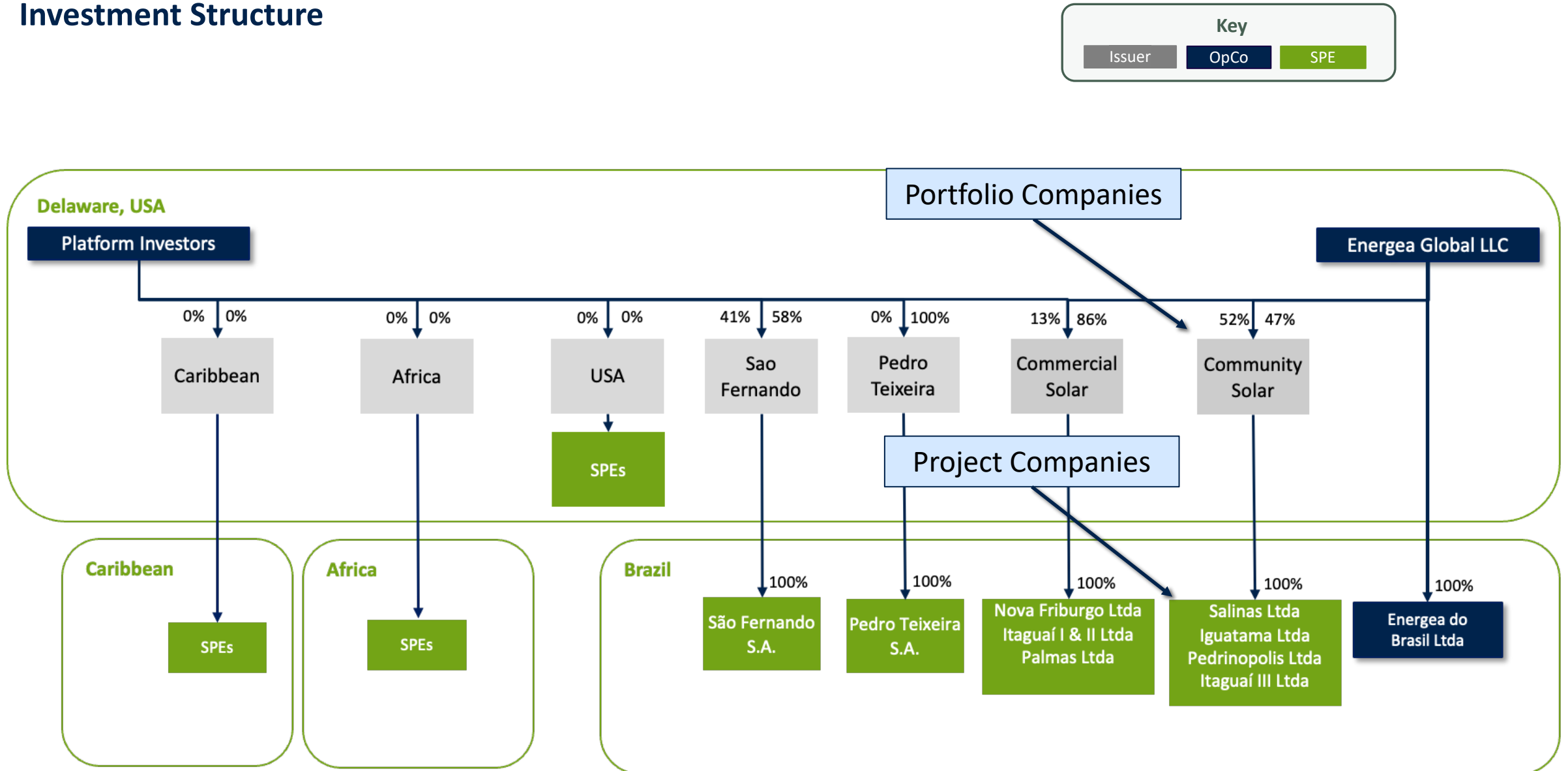
Maturation

The project, as an asset, becomes the focus of capital allocation, grants/SRECS/FIT rule the economics.

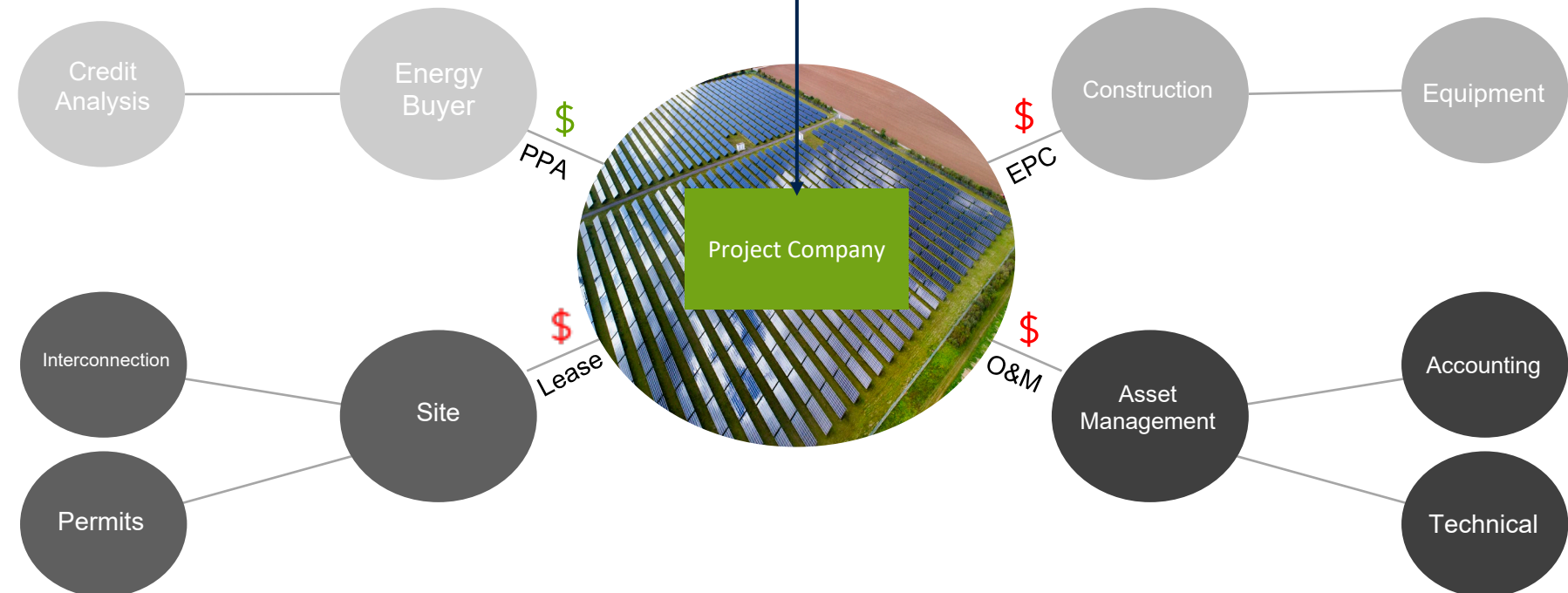
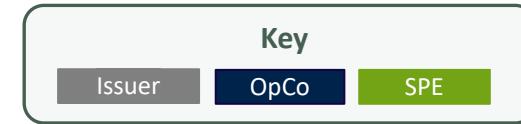
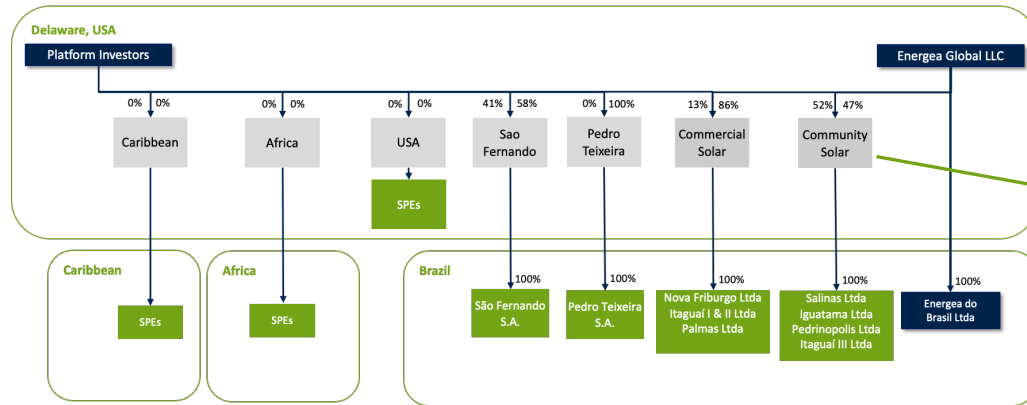
Current Democratization

Investing platforms bring thousands of new investors to the asset class









Investment Structure



Investment Structure



Ready to Invest

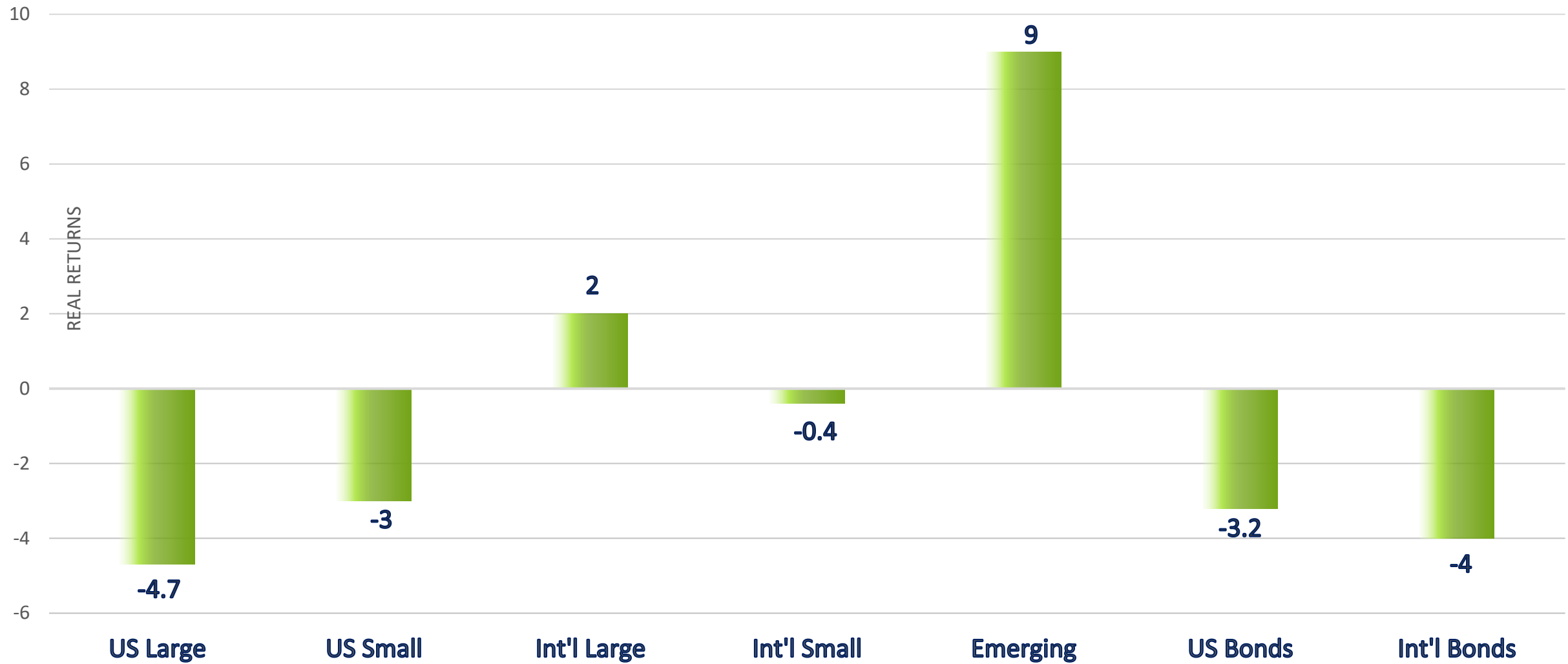
| Contract | Definition |
|---|--|
|  Project Company Created | <ul style="list-style-type: none"> • Each is owned by a separate company, usually an LLC • Project can receive debt, have unique investors, experience a loss/casualty or be sold separate from other assets |
|  Site Control | <ul style="list-style-type: none"> • Lease agreement • Quality of land owner |
|  Interconnection | <ul style="list-style-type: none"> • Quality of line • Full documentation • Different process for every utility company |
|  Permitting | <ul style="list-style-type: none"> • Environmental, historical/archeological • What are the ongoing obligations |
|  Power Contract | <ul style="list-style-type: none"> • Contract term • Type of rate (fixed price or fixed discount) • Termination penalties • Construction delivery penalties |
|  Equipment | <ul style="list-style-type: none"> • Solar modules, wind turbines, hydro turbines, battery storage • Inverters |
|  Contractor | <ul style="list-style-type: none"> • Warranties • Skilled labor (especially electrical) • Importation/Delivery of all equipment |
|  Operations and Maintenance | <ul style="list-style-type: none"> • Technical maintenance • Accounting/Audit |



Due Diligence Tips

| Risks | Benefits |
|--|--|
| Power production | Contracted dividends (with inflation escalators) |
| Customer default | Hedge against public equities/bonds |
| Change of policy | Real assets, not paper investing |
| Exchange rate exposure (for global portfolios) | True impact investing |

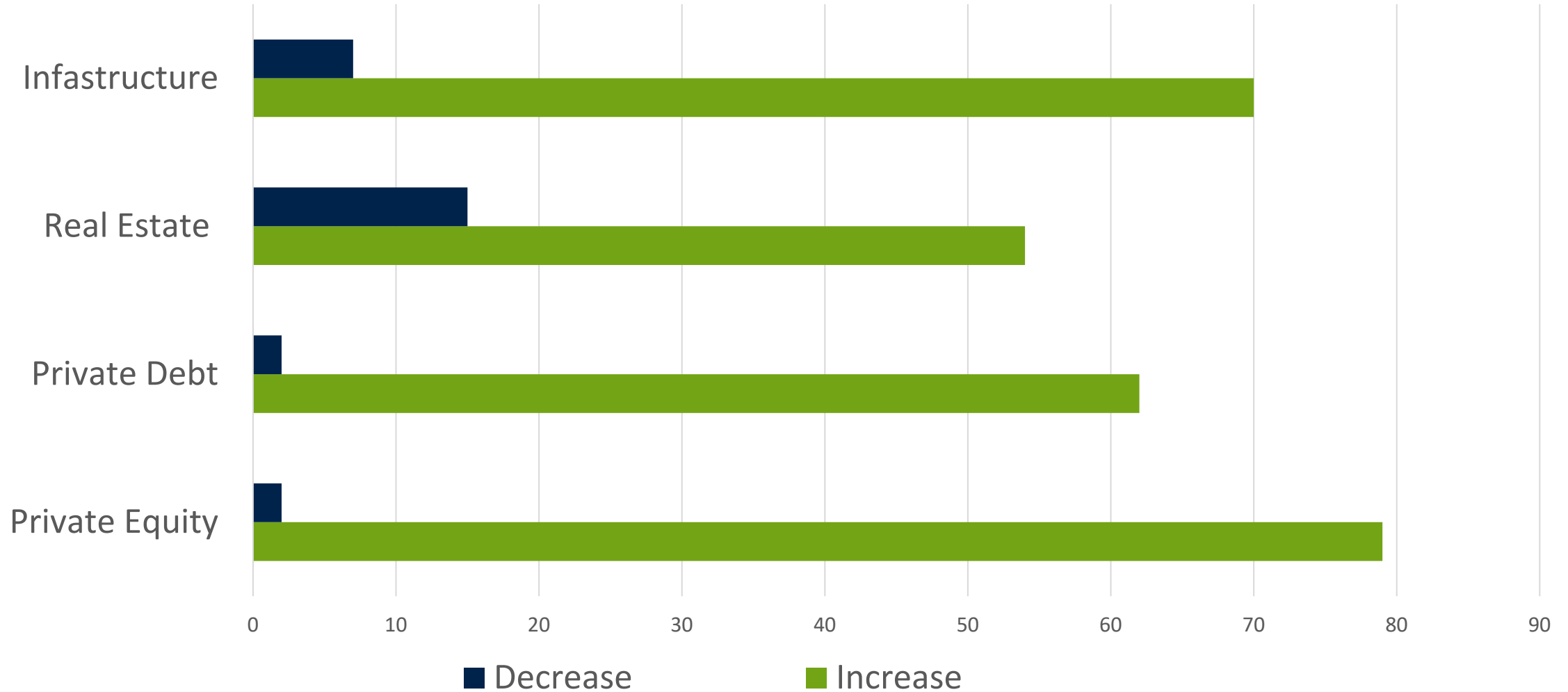
Building More Resilient Portfolios



Source: <https://seekingalpha.com/article/4365864-60-40-portfolio-is-dead>

Building More Resilient Portfolios

Projected Change in Investor Allocations (10 years)



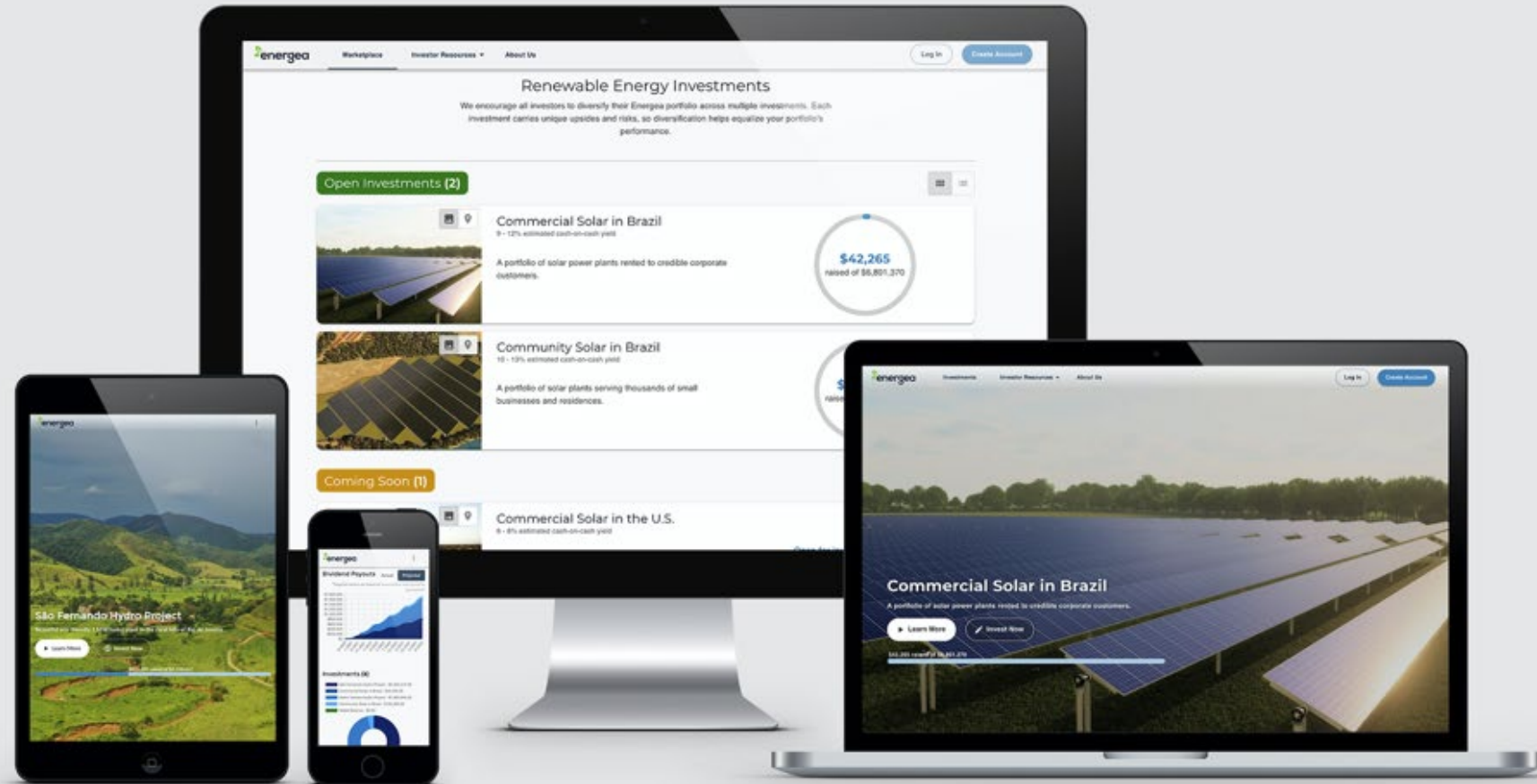
Source: Prequin Future of Alternatives Annual Report from December 2018.



Projects

Investors

Decarbonization, Decentralization and Digitization







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What's Next?



Want more information regarding today's topic?

➡ Complete our brief webinar survey



Researching renewable energy markets & deals?

➡ Checklists for renewable energy market & investment due diligence are being emailed



Need more information on SDIRAs?

➡ Visit our website and Learning Center



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Time for Questions



Stay Connected



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“

An **investment in knowledge**
pays the best interest.

- *Benjamin Franklin*

