

## **Case Study: Tioga Energy**

### **Challenge – Financing distributed commercial solar projects**

Tioga Energy is a national leader in the distributed commercial solar market sector. Tioga enables commercial, government and non-profit organizations to reduce electricity costs and enhance environmental sustainability without any capital outlay. Through its [SurePath® Solar power purchase agreement \(PPA\)](#), Tioga owns and operates more than 100 renewable energy systems, providing its customers the opportunity to reduce energy costs and hedge against electricity rate volatility while lowering carbon emissions. The projects range from 100kW to over 1 megawatt in scale and serve public and private schools, towns, private companies, and other entities across the United States. Tioga has pioneered the aggregation of multiple projects for related entities using standardized project documentation so as to speed their financing, construction, and operation. [Tioga's success in financial aggregation has won it several industry awards.](#)

To accelerate the company's growth, Tioga management in 2011 moved to expand their master lease and other innovative financing aggregation arrangements. Such arrangements work most efficiently for projects meeting mutually agreed standardized contracts, credit and other project criteria to streamline the financing due diligence and closing process. Still, multiple projects remained to be financed that did not fit the template financing criteria. They included solar projects for churches, convention centers, large retailers, corporate office buildings, and public schools. Tioga wanted to secure and close financing for these projects, yet needed additional financing expertise to complete the effort in the time frame required. Seeking recognized renewable power project financing expertise, Tioga called upon Birch Tree Capital.

### **Approach**

Birch Tree Capital applied its solar financing experience to identify, negotiate, and close financing for several individual solar installations in multiple states. Birch Tree Capital's principal, John Harper, served as Tioga's interim managing director of finance. In this role, he led Tioga's financing teams for the projects, and traveled to Tioga's home office multiple times during the engagement. The diversity and concurrent timing of the projects mandated close coordination between Birch Tree Capital, Tioga staff and advisors, and Tioga's financing partners. Birch Tree Capital also assisted Tioga in structuring and implementing multiple aggregation financing programs.

### **Solution**

With help from Birch Tree Capital, Tioga Energy met its commitments to multiple customers, even while establishing productive relationships with new financing partners. These relationships will facilitate Tioga's development and installation of still more solar projects going forward. By assuming the lead financing responsibilities for the legacy projects, Birch Tree Capital enabled senior Tioga management to focus on other priority growth initiatives.