

Case Study: Corporate Headquarters solar

Challenge

A global audio electronics retailer wanted to add solar power to its iconic headquarters campus in Massachusetts. The company identified several leading solar project vendors and solicited quotations in a competitive procurement. Selecting a winning bid proved difficult, however, due to great variation in the bid responses in terms of location, type of installation, ownership, financing, and pricing. As this was the company's first encounter with solar, the company lacked the internal staff expertise to review the bids and were uncertain how to proceed. The company's director of global sustainability asked Rhumb Line Energy and Birch Tree Capital for help.

Approach

The Birch Tree Capital-Rhumb Line Energy team helped the retailer to relaunch the vendor selection process and to review the revised vendor proposals and updated pricing. The team used their project development expertise, knowledge of renewable power project ownership and financing options, and familiarity with federal and state incentives to identify criteria for prioritizing possible installations, select a power purchase agreement as the contract structure, and to recommend an appropriate vendor.

Solution

The retailer selected its preferred site and to work with the team's recommended vendor under the recommended power purchase agreement format. Birch Tree Capital helped the retailer work through pauses in the negotiations and changes in the financial terms caused by changes in the state's solar incentive program. Birch Tree Capital reviewed the developer's financial model for the proposed pricing and expected savings, and the terms of the purchase contract. The project, a 1.8MW solar array on the hillside of the retailer's headquarters campus, will be one of the largest solar projects serving a single commercial off-taker in the state. When complete, the array will meet a significant portion of the retailer's corporate center electricity requirements, enable large savings on future electricity costs, and be a tangible, visible sustainability commitment of the company.