

Solar working group releases standard contracts

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A working group representing solar industry stakeholders has developed standard contracts that should help lower transaction costs and make it easier to access low-cost financing for residential and commercial solar power projects.

The Solar Access to Public Capital (SAPC) working group, assembled by the Energy Department's National Renewable Energy Laboratory, is a consortium of [solar energy](#) developers, law firms, financiers and analysts with expertise in [solar energy projects](#).

The contracts cover residential leases and commercial power purchase agreements (PPAs). The working group members recognized that customizable contract templates could improve consumer transparency, increase private-sector investment, and lower the cost of solar [energy](#) to end-users.

"These template contracts should allow national and regional solar developers alike to increase business opportunities and enable the creation of tradable investment vehicles desired by pension funds and other institutional investors critical to scale the industry," NREL Energy Analyst Paul Schwabe said. "This effort is just one of the many ways that the partnerships forged across the SAPC initiative are helping to unleash cost-competitive [solar power](#)."

To date, SAPC has developed three standard contract templates:

- Residential Lease – Aggregated (for developers with in-house installation practices)
- Residential Lease – Disaggregated (for developers using installation partners)
- Commercial PPA

NREL initiated the SAPC working group effort in October 2012. Since then, it has grown to include more than 120 member organizations. The working group is also engaged in several activities designed to build investor confidence, including collaborating with rating agencies to evaluate "mock" portfolios of residential and commercial assets, developing best practice guidelines for system installation and operation and maintenance, and developing a system performance dataset. The three-year effort is funded under the Energy Department's Sunshot Initiative.

More information: The standard contracts, as well as other information on SAPC and NREL activities, can be found at financere.nrel.gov/finance/solar-public-capital-finance.

Provided by National Renewable Energy Laboratory

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