

To Community Solar or Not?

Understanding the ins and outs of community solar from subscriber acquisition to revenues and more

Subscriber Acquisition Across PowerMarket

Audience Identification

Key Takeaway: Identify your target audience *prior* to starting acquisition.

9 out of 10 residential subscribers are homeowners, not renters.



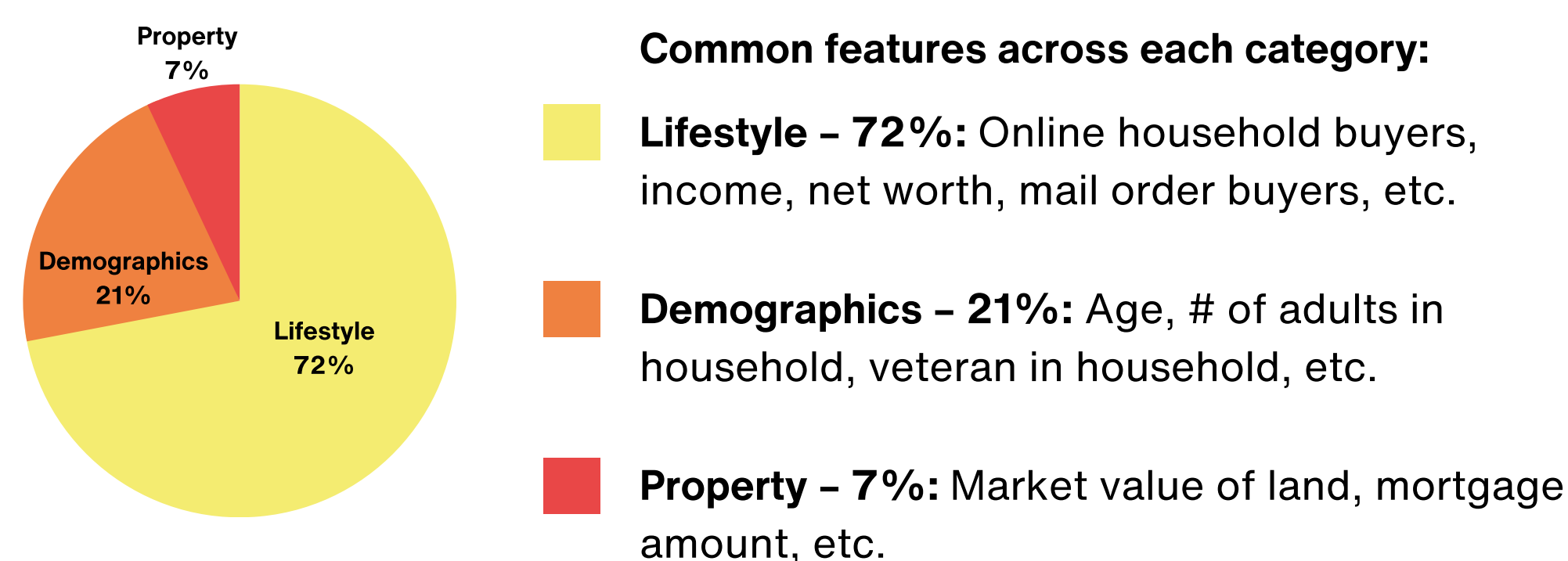
Homeowners are more likely to enroll because they typically have larger usage profiles and move less. This is changing as LMI customers, who are more often renters, are incentivized by state and federal programs.

Low-to-Moderate Income (LMI)

- Acquisition of LMI subscribers costs ~15% more than non-LMI segments.
- Beyond household income, other data can be used for LMI populations: Participants of the Heating, Electricity, Assistance Program (HEAP), the Supplemental Nutritional Assistance Program (SNAP), living in a historically disadvantaged community, and more.
- LMI subscribers have a larger energy burden, and offering payment flexibility is critical.

Features Affecting Enrollment Likelihood

Organized by category out of 269 features modeled



Other key points:

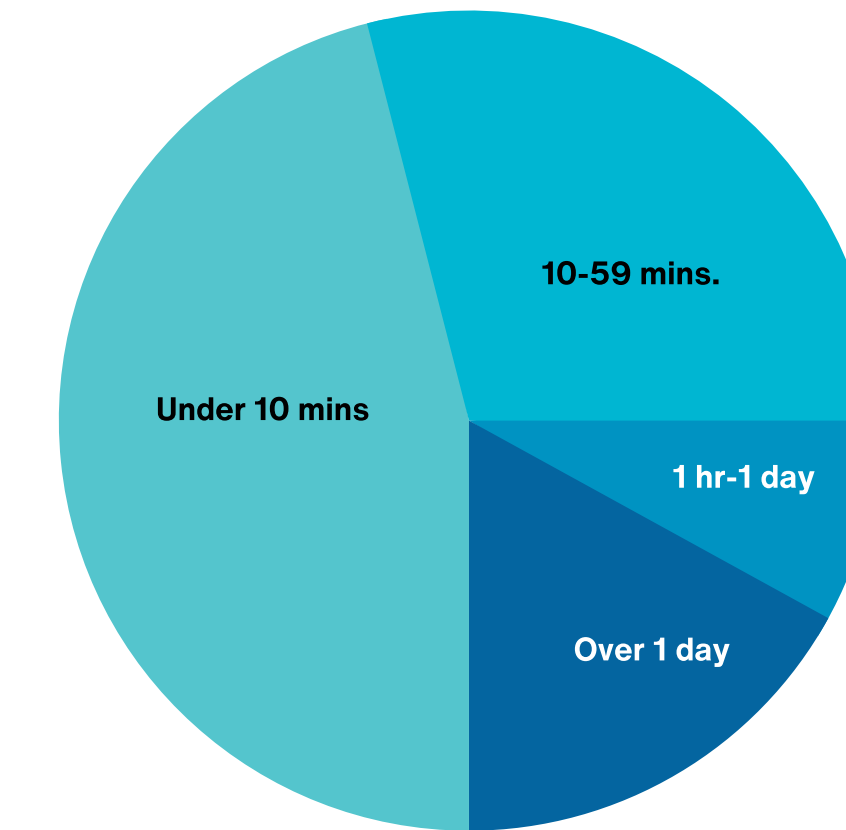
- The likely commercial/residential subscriber mix is dependent on policy, expected returns, and the availability of each segment in that utility market.
- Subscribers can range from Fortune 500 companies to residential customers; each customer type may have different financial returns and risk factors.

What does a good enrollment process look like?

Unassisted Signups / Self-Service

78% of enrollments are completed without requesting help. When potential subscribers understand the value they're getting and trust the product and the company behind it, they move forward with ease.

Enrollment Speed



- Under 10 mins. (46%):** Educated and comfortable with product and/or company
- 10-59 mins. (29%):** Likely missing one application item or needs a phone call to convert
- 1 hr-1 day (8%):** Likely missing one application item and needs a phone call/email to convert
- Over 1 day (17%):** Often multiple stakeholders involved (a partner, a roommate, etc.)

Low Churn

Before Project is Operational

- 1-2% of subscribers churn due to account closure (moving)
- 1% due to installing solar
- <1% due to switching to another community solar project (in states where subscribers can only be on one community solar project)

After Project is Operational

- 1-2% of customers churn per year due to account closure or voluntary removal from the program.

Key Takeaways

- Time spent in the enrollment pipeline reflects a prospect's knowledge of community solar, trust in your company, and more.
- 75% of enrollments occur within an hour. Immediate assistance is crucial.
- Precautions can be taken to mitigate avoidable churn.
- Great marketing & education, a user-friendly software platform, strong customer service, and other factors lead to exceptional financial returns.

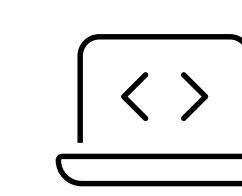
How do you achieve the above items?

Marketing & Education



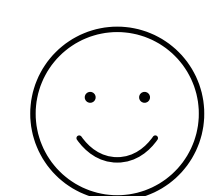
- Customer Awareness
- Blog & Website Content
- Many Trustworthy Reviews
- Regular Project Updates

Software Platform



- Overall User Experience
- Account Creation Process
- Trust Icons throughout Enrollment
- Reminders of Program Benefit

Customer Service



- Multiple Contact Methods
- Knowledgeable Team
- Use of Artificial Intelligence
- Speed of Resolution

Billing & Revenue Collections

- Returns:** A well-performing project can receive 99%+ revenue returns. This reflects success across all facets of the program.
- Payment options:** Offering more payment options – ACH and credit cards.
- FICO Scores:** FICO scores are not reflective of a subscriber's ability to pay. Where possible, we use on-time utility bill payment history instead.
- Billing notifications:** Notify customers in advance of each billing. Due to occasional utility delays and the receipt of multiple utility energy credit statements at once (host statements), a faster billing timeline requires excellent communication and payment flexibility.

Overall Service Considerations

- Expected subscriber savings:** Subscriber savings range between 5-25% of the community solar credits, based on the market, LMI requirements, and other factors.
- PPAs vs. % Discounts:** % discounts are more common.
- Utilities:** The utility is responsible for applying energy credits to customer bills. Utility customer representatives are not often experts in community energy and may need guidance to speak to these programs appropriately.

Want to Learn More?

Contact leland.gohl@powermarket.io or scan the QR code below



At a Glance

- PowerMarket has billed over \$73 million of energy credits across 580,000+ transactions and saved subscribers over \$9 million.
- We have over 700 megawatts (MWs) under management across 10 states.