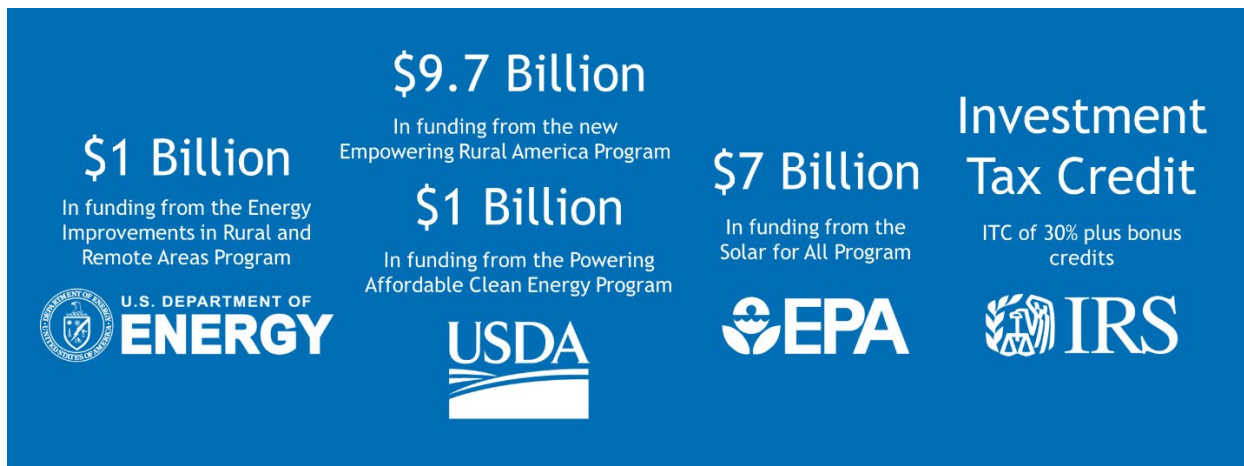


Guidance Document

Strategies and Best Practices for Developing Utility-Scale Solar and Storage Projects

The Inflation Reduction Act (IRA) and Bipartisan Infrastructure Law (BIL) include billions of dollars that rural utilities—including Tribal and municipal utilities and electric cooperatives—can access for their large-scale energy projects, like utility-scale solar and storage.

Funds include:



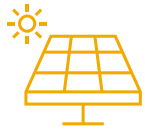
These funds can be folded into capital stacks that dramatically offset project costs. However, it is often challenging to navigate the upfront requirements for securing and administering funding, and that challenge is only more pronounced with BIL/IRA. As small, rural utilities are developing their clean energy plans, they need to ensure they are engaging the right team and partners. For optimal design, development, and implementation, they should consider partners that can offer:

- A turnkey (one-stop-shop) approach to help reduce costs and administrative burdens while aligning with program requirements.
- A track record of delivering measurable, sustainable benefits for small rural utilities.
- Expertise in managing federal contracts and leveraging all possible incentives, grants, and rebates while utilizing industry best practices for implementation.

Note that many of the partners that can meet these criteria are mission-based nonprofit organizations (NPOs) or community-based organizations.

Identification and Selection

Utilities interested in implementing solar and storage projects should first consult their peers, utility associations, and/or subject matter experts to gain insights on selecting the right partners for their projects. By doing so, they will streamline internal decision-making and execution processes. In drafting their Requests for Qualifications (RFQs) and/or Requests for Proposals (RFPs), BIL/IRA awardees can structure the grading criteria to stress the following:



Ownership: Partners should be willing and able to facilitate utility or community ownership of the assets created through the projects. Mission-driven NPOs are more likely to make these commitments than for-profit solar developers.



Community Presence: Potential partners should have existing programmatic infrastructure and networks within the local, state, or regional community. This will help keep costs low, streamline project launches, and reduce or eliminate concerns around project schedules.



One-Stop-Shop: Potential partners should offer an OSS approach that covers assessments and feasibility, project planning, design, construction, financing, training, outreach and education, and reporting. A single point of contact will simplify coordination and communication for the utility and its community.



Policy and Regulatory Expertise: Partners should have experience navigating requirements such as Build America Buy America, Prevailing Wage and Apprenticeship requirements, Davis Bacon, etc. They should have a proven ability to meet these requirements and to stay abreast of any regulatory or policy changes.



Financing: Partners should have the expertise to support project financing by leveraging funds such as grants, the ITC and its bonus credits (if available), and low-cost financing. RFP and RFQ grading criteria can be adjusted to favor partners actively managing other BIL/IRA funds and having experience braiding numerous financial resources. Organizations that can problem-solve, phase projects to align with funding requirements, and assist in compliance and reporting activities will ensure project success.



Construction Activities: Partners should have a network of highly qualified vendors and contractors. This will help ensure the project is delivered on time, on budget, and in alignment with regulatory requirements and project specifications.



Post-Install Servicing: Besides their ability to conduct the necessary inspections and manage quality control, partners should be able to offer operations and maintenance services and monitoring services to ensure the project delivers to its expectations.

The wrong partners can cause significant grief. They can deliver projects that fail to meet utilities' objectives, or worse, they may be unable to complete the projects. Partner selection is perhaps the most important decision to be made throughout this process. The recommendations herein are born of ICAST's 23-year experience designing and executing cost-effective and high-quality clean technology solutions for communities, including small and large utilities, Tribes, property owners, and others. We are one of the few organizations focused on serving the small-utilities market and can work with you to meet your project goals. Learn more about our work and access our other informational materials at <https://www.icastusa.org>.