MICRO-GRIDDING YOUR DEALERSHIP



Ryan Ferrero National Director / Auto Industry Electrification Freedom Solar Ryan@RyanFerrero.com (970) 214-4433



LANE GORMAN TRUBITT, LLC Accountants & Advisors

AGENDA

- The Inevitability of Solar
- Impacts from outgoing "Inflation Reduction Act"
- Alternative Financing for Power Generation
- Eligible Incentives and Subsidies



Ryan Ferrero founded the largest U.S. auto industry solar project, preferred solar partner for most OEMs, and regularly speaks with entrepreneurs about accelerating the adoption of sustainable technologies. As an awarded domestic and import Dealer Principal, (Top Five U.S. Chrysler Dealer in Customer Satisfaction, #1 volume Chrysler Dodge Jeep Dealer in Colorado, Springwise Top 20 U.S. Business Ideas, and Award of Merit by Engineering News) Ferrero knows the complexities of the auto industry firsthand and how renewable energy can help solve its most pressing challenges. He presented to the US Senate, featured on high-profile media outlets, CNN/Fox/NBC/Fast Company.

WHAT YOUR DEALERSHIP WILL LOOK LIKE IN 2025/26



Clean Energy Management Software

Effortlessly manage all of them from a single **intuitive tool**, while Elexity **auto-magically optimizes** 24/7. Start with one system, connect more over time, better together.



Preferred Pricing and Term

Installation one-time setup: Energy Meter & Edge Computer, EMS Box 10"x14" \$18,250

Initial License and Subscription – 5 year term \$7,500

Optional Optimization–

- Upgrade HVAC
- Upgrade Solar
- Upgrade BESS/Battery
- Upgrade Backup Generators



ELEXITY



1 Building Meter





Optional Upgrades

Shave Peak Demand Costs, Optimize Flow, Shift Load

Includes Performance Guarantee

HVAC Optimization Installation one-time setup

Installation one-time setup, \$1,250 per Thermostat **Subscription:** \$750/yr or \$3,000/5 yr

Solar Optimization 5 yr Subscription: \$2,500

BESS/Battery Energy Storage System 5 yr Subscription: \$2,500

Backup Generators, Diesel or Natural Gas 5 yr Subscription: \$2,500





HOW IT FITS TOGETHER

- Solar design based on your unique energy bill (Bars), facility and permitting requirements
- Electricity offset (Green)

Solar PV System Cost and Incentives	
Solar PV System Cost	\$309,325
REC	-\$119,432
Federal Tax Credit	-\$92,798
Federal - MACRS Bonus Depreciation	-\$97,283
Net Solar PV System Cost	-\$187



PEAK DEMAND CHARGES

Peak Demand Charges are ADDITIONAL fees for Time of Use, most utility tariff rates are adding and increasing these rates for energy used between 1p-7p



BESS = BATTERY ENERGY STORAGE SYSTEM + ELEXITY BUILDING MANAGEMENT CONTROLS

Important new 'friend' for Franchised Dealers

- Peak Demand Shaving
- Resiliency: Backup power for critical loads
- DC Fast Charging
- Reduces if not eliminates, expensive transformer upgrades



DIFFERENT SOLUTIONS



Dealership with 250 kw Solar

- Takes care of about 95% of energy usage for an average dealership
- No backup power

250 kw Solar + SBE 500 Battery

- Provides short term resilience or longer-term Critical load support
- Instantaneous autonomy
- Reduces operational downtime



500 kw Solar + SBE 500 Battery + On-Site Natural Gas Generator

- Overproducing power during solar hours, powers business while fueling battery for nighttime usage
- Short-term power outage prevention ~ 4 hours on battery
- Generator acts as final backstop for enduring outages

KEYS TO THE OUTGOING INFLATION REDUCTION ACT

- Investment Tax Credit 'adder' opportunities stay
- IRA Bullseye remains with 20% step-down: Solar+Storage/Batteries
- Commercial Solar Installations increase by 67% next 5 years.
- Residential/EV Credits/Wind chopped



CURRENT INFLATION REDUCTION ACT

	Through 2033*
Base Solar Investment Tax Credit	30%
Bonus (Energy Community)	10%
Domestic Content Adder (Min. 40% 2025)	10%
Allocated Low-Income Bonus	10%

Solar Investment Tax Credit (ITC)

30% federal income tax credit for solar on residential and commercial projects*

Modified Accelerated Cost Recovery System (MACRS)

2025 Year 1 Bonus is 40%

USDA GRANT

- Rural Energy for America Program
- Cash Grant \$50M 2025 funded Farm Bill
- (\$20k Unrestricted, 50% Restricted)
- Paid in one lump sum to array owner
- Requires a grant writer
- Grants are now submitted quarterly, awarded throughout the year, no longer annual
- No Longer a Cap of \$249k



CREATING YOUR OWN POWER COMPANY

Dealer Principals typically opt to leverage Real Estate Holding Company entities or create 'My Power Company LLC', not unlike Reinsurance concepts in F&I



9 out of 10 dealerships go this route

-\$1,535,699

Fomale:

\$3,324,875

\$135,756

\$454.567

\$614,280

\$2,993,771

ENERGY MONITORING + POWER WINDOW SLIDE





ENVIRONMENTAL IMPACT

- Comprehensive, Apolitical, Fact-based
- Environmental Impact of Burning Fossil Fuels
- Geology of Power Generation
- Global Economic Forces
- Economic Opportunities
- Why On-site Solar Power Generation is
 inevitable for right-fit businesses
- <u>Watch Video</u>



HARVARD Kennedy School

Executive Education

ENERGY TRANSITION

- Energy transition is complex
- Warming over last 100 years = 2.2 F
- Impacts from greenhouse gas emissions have been known since 1896
- CO₂ concentration accelerating, now 423 parts per million (up 5ppm in 12 months)
- Interesting reference at www.350.org



Chemist Svante Arrhenius Influence of Carbonic Acid in the air and on the ground Nobel Prize Winner

FLAT COST ENERGY

- Transporting oil became
 very, very cheap
- Same price in just about every corner of the world
- Wind blows for free, sun shines for free, rain/water flows for free...keeps the cost of energy flat globally



MINING

- Unequal socioeconomic factors
- Political pressure, not easy
- Global efforts, Paris Agreement and Kyoto protocol
- Every country must decarbonize
- Great news: domestic production may replace all imported lithium

Forbes

What To Know About The Massive Lithium Discovery In Arkansas—And What It Means For EVs



A lithium mine in the Atacama Desert in Salar de Atacama, Chile, one of the world's largest lithium ... [+] GETTY IMAGES



THE LOGIC OF CAPITALISM

- Best path to decarbonization is to electrify everything that can be electrified: Transportation, Heat, Agriculture, Manufacturing
- Batteries, wind, solar, metals for cables, minerals, mining, no way forward to decarbonize without mining boom
- Largest Lithium resources Australia, Chile, United States, China...little to no mining in US, very large 5X of China's mining in Australia

CASE STUDIES



TOYOTA OF PLANO

Plano, Texas

- 449.1 kW total system size
- \$258K estimated first year savings from solar (\$5.2M over life of system)
- Adding solar carport and an 80kW battery



GILES NISSAN LAFAYETTE

Lafayette, Louisiana

- 298.8 kW total system size
- \$30,000 estimated annual savings
- \$1 Million projected 25-year savings

"We have 1 of 6 dealerships up and running. I've always said it's not about the money – it's about the return. The net cost of solar is very low with an ROI of 1-2 years, so it's a no brainer. It's also a positive message to send to our customers and employees that we're making an effort to be as green as possible."

- Bob Giles, Owner of Giles Automotive



MOBERLY MOTORS FORD

Moberly, Missouri

- 99.9 kW total system size
- \$13K estimated first year savings from solar
- <1 year payback period</p>



CHUCK HUTTON TOYOTA

Memphis, Tennessee

- 599.4 kW total system size
- \$47,200 estimated annual savings (\$1.6M over life of system)
- Close to 100% energy offset

"At the end of the day, all this stuff is going to eventually make money. Right now, we can focus on reinvesting, keep giving back to the environment and the community. ... If you do that, everything else follows."

– Young Kim, Owner of YK Auto Group



WEAVER GMC

Erie, Pennsylvania

- 102.96 kW rooftop total system size
- \$7,658 estimated annual savings
- \$269,769 projected 25-year savings



Fitzgerald Auto Mall Gaithersburg, Maryland

- 890 kW total system size
- \$258K estimated first year savings from solar (\$5.2M over life of system)
- 83% approximate electricity offset

"The solar canopy on the parking garage just made sense for us. Customer's cars and inventory are shaded while the panels generate energy on site. It's a win-win..."

- Jack Fitzgerald, Founder & Chairman



LUTHER AUTO GROUP

Minneapolis, Minnesota

- 454 kW total system size
- \$45,000 estimated annual savings
- \$2.1 Million projected 25-year savings

"Solar just makes good business sense in today's energy environment."

– Linda McGinty, VP of Real Estate for Luther Auto Group



SWOPE TOYOTA

Elizabethtown, Kentucky

- 340.6 kW total system size
- \$ 1.2 million aggregate energy savings
- 86% approximate electricity offset

"With the installation of Solar our buildings on average will offset 81% of our daily energy use, which includes showrooms, lots and the growing number of electric charging stations. Reducing the company's carbon footprint is just the right thing to do. Being environmentally responsible is increasingly a demand we are seeing among not only our manufacturers but our customer's as well."



SANDBERG VOLVO

Lynwood, Washington

- 182.82 kW rooftop total system size
- \$15,346 estimated annual savings
- \$540,605 projected 25-year savings



KEATING TOYOTA

Alvin, Texas

- 454 kW total system size
- \$24,434 estimated annual savings
- \$952,621 projected 25-year savings



IRA LEXUS OF MANCHESTER

Bedford, New Hampshire

- 124.41 kW rooftop total system size
- \$23,824 estimated annual savings
- \$774,129 projected 25-year savings

WHAT'S BEST FOR YOUR DEALERSHIP

- Rooftops
- Capitalize on unused space
- Fast installation with minimal disruption to your operations

Carports

- Protection from hail, mitigate open lot insurance costs
- Marketing advantages
- Options include EV charging, lighting, water mitigation





REVIEW PROCESS

Your AP person sends 12 months of your dealership's utility bills.

Email your utility bills to: ryan@ryanferrero.com Receive your no-cost solar feasibility analysis.

02

Each analysis includes:

03

- Tax Incentives
- Subsidies
- Options Unique to your Store
- Shovel-ready Proposal

We'll walk through all the variables in your solar proposal that impact ROI.

04

QUESTIONS?

MICRO-GRIDDING YOUR DEALERSHIP



Ryan Ferrero National Director / Auto Industry Electrification Freedom Solar Ryan@RyanFerrero.com (970) 214-4433



LANE GORMAN TRUBITT, LLC Accountants & Advisors