Solar-as-a-Service: Frequently Asked Questions

1. **What is the Solar-as-a-Service contract?**  
The Solar-as-a-Service (we refer to it as: SaaS) contract means that ecoligo will provide a solar system as a service for your company for the duration of the contract. ecoligo’s service includes raising the necessary finance for the project, the construction and insurance of the solar system, scheduled maintenance, operation and management.

2. **What happens in case of an unscheduled maintenance?**  
In case of an unscheduled maintenance event, ecoligo will still take care and take action, for example replace the defective component. However, for unscheduled maintenance rates according to the schedule attached to the SaaS apply.

3. **How much do I as a customer have to pay?**  
We offer two types of contracts:
   1) Contracts based on the production of the solar system where you pay per unit kWh (Note: In some countries, the contract based on per unit kWh is not allowed), and
   2) fixed monthly payment contracts. This is a fixed monthly payment contract in which the fee remains the same for every month and is independent of the energy production.

The price you have to pay depends on many factors. First and foremost, the actual cost of the system is relevant, but equally important is the duration of the SaaS contract. For short term contracts prices are higher than for long term contracts.

4. **What happens if I have a contract based on kWh unit generation, but the output is lower than expected?**  
Within the SaaS contract we guarantee 90% of the project energy generation over one year, assuming a grid uptime specific for your project. The projected energy generation will be calculated
with sophisticated simulation tools such as PVSyst that generate an annual expected energy output. This will be provided to you as attachment to the SaaS contract. There are two scenarios:

1) The solar system produces more than 90% of that energy amount over a year. In this case, nothing happens. You pay what has been agreed within the SaaS contract. This means the energy provided above the 90% quote is free of charge.

2) In case the solar system produces less than 90% of the projected annual energy amount, ecoligo will reduce your payments of that specific year with a ratio of that percentage. The amount to be reduced will be offset from your first invoice of the coming year. The exact formula can be found within your SaaS contract. No adjustments will be made, if the underperformance is due to the main grid not being available.

For both scenarios, ecoligo will use data from the monitoring system installed at each project site, which is also is used to generate the monthly energy production reports for you.

5. **Does ecoligo allow for renegotiation of the payment amounts / kWh, if the solar system energy output is below the expected amount?**

ecoligo does not renegotiate prices. In case of a performance below the performance guarantee we will offset your paid amounts by a ratio, that reduces your paid amounts. However, as the solar energy system may produce more energy the coming year, the consequence would be another renegotiation, causing too much administrative cost, making the overall solution more expensive.

6. **When will I as a client own the system?**

We work with you to define the solar system and payment plan that suits you best. You will own the system when the SaaS contract is over. Durations can vary between 3 and 20 years depending on your choice. Once the contract ends, you automatically own the solar system.

7. **Who takes care of maintenance?**

ecoligo as part of the SaaS takes care of the maintenance through local partners. Maintenance will be done based on a schedule that is attached to your SaaS contract. Its intention is to always have a clean, well-functioning system that provides you with the highest savings over the entire duration of the SaaS contract.

8. **So, you supply all my energy and I won’t receive any utility bills anymore?**

No, you will still need to pay some utility bills. However, you will see significant decline in your utility bills by up to 40%. Once the duration of the payment plan is over, you own the solar system. This means that all energy the solar system will produce will be to your benefit, as you are no longer paying SaaS payments for it.

9. **Does the solar replace my generator?**

No. The solar system will reduce your reliance on a fossil-fueled, noisy generator during sun hours. You will still need to have an alternative source of electricity outside of sun hours, like your grid connection from the utility. In case you are seeking a solution where your backup generator is replaced, we can offer you a combined solar/battery system.

10. **Would such a battery replace the generator completely?**

Although the cost of batteries has come down significantly in the past years, batteries are still expensive. The most economic solution right now is to size the battery to only cover short term
blackouts of a few hours. This already reduces your generator runtime significantly – sometimes even completely. However, we always advise clients to keep the generator as you already purchased it. It can serve as an excellent emergency power in case something happens to the solar/battery system or for the cloudy few days per year.

11. Can the solar run my machines?
Yes, it can perfectly run your machines. Why? Because it is always running in parallel with the grid. If a machine requires higher power to start than generated by your solar system, the difference will be supplied by the grid. The solar system thus reduces the energy needed from the grid to run the machines. The solar in combination with your grid connection works smoothly on all kinds of machines.

12. What if the cost per kWh of the utility goes down?
If the price of a kWh is reduced, you will be saving less by partially relying on solar power – but you will still be saving. Further, our contracts with you have a runtime, after which you benefit from the solar energy without paying us anymore. So in the long run, a short term price reduction by the utility on the national tariff has only a very limited long term effect on your benefits from the solar system.

13. What if the cost per kWh of the utility goes up?
We will not rise our prices if utility cost goes up. For you, this means that if the price of a kWh goes up, you save even more by having the solar system.

14. What happens if there is no sun?
Solar technology is rapidly improving. Solar panels will still collect some of the sun’s energy even on cloudy days, although the output will be less. On average, a solar panel output on a cloudy day is about 25% of normal output. This does not mean that you will experience a blackout: Solar systems work with the grid. On cloudy days, the grid will automatically supply the needed energy, in case the solar system does not supply enough to cover your demand.

15. Do you apply VAT on your invoices?
All prices agreed within the Solar as a Service agreement are exclusive of Value-Added Taxes, as these are specific to each country we operate in. In our savings projections, we also compare our cost with the cost for the utility power without VAT. This way, we can ensure that the savings still apply, as we compared apples with apples. Our invoices of course include the locally required VAT as per country regulation.

16. What is a scheduled maintenance event?
All solar panels need regular maintenance to ensure maximum yield of solar energy. These are included in your contract with a detailed schedule of the separate maintenance events and their frequency. The travel price is also included in your contract. These events vary from cleaning the solar panel with water (at least quarterly) to checking the room temperatures of the inverter semi-annually.

17. What is an unscheduled maintenance event?
An unscheduled maintenance event is a reactive event in the case of system failures. There are clearly defined processes that ensure minimum response time in the case of a failure. Reactive
activities and the promised response time and scope of the service is also outlined in your SaaS contract. Pricing is based on defined hourly rates for the engineer and/or technician plus reimbursement of reasonable travel costs.

18. I have a bank loan with an interest rate of 7% for my solar system. What is the difference?

If you take a bank loan with an interest rate of 7%, you still need to add more components into your calculation of costs. These include (but are not limited to) 1% of the solar system cost per year for the insurance, 3% of the system cost for the O&M in addition to the time dedicated to managing the whole process, which you could have used to focus on your core business. More importantly, the bank loan appears on your firm’s balance sheet as debt, reducing your ability to take other loans.

ecoligo provides you with a hassle-free solution to all of the above by financing, building and managing a solar system for you. We work with you to find you a repayment scheme that fits your company best.

19. What happens if ecoligo's technical partner is no longer in business in the future?

In the event that one of our technical partners is not there some years from now, we will select another qualified technical partner. The new partner will take over where the other partner left off and maintain the solar system during your contract period.

20. How does your process work from start to finish?

Here’s a schematic timeline of our process: