



SOLARSHARE ANNUAL GENERAL MEETING MINUTES

Date: June 20, 2023, 7PM

Location: Hybrid Meeting, in person at CSI Toronto, Virtual Meeting via
Zoom Webinar

Recorded By: Mary Warner

7:13 PM - Call to order

WELCOME & INTRODUCTIONS:

More than the required minimum quorum of 25 members attended either in person or virtually. The Chair of the meeting is Chris Caners, SolarShare's General Manager.

Resolution: It was moved by Mike Brigham and seconded by Patrick Collie and passed by show of hands and electronic poll that the minutes from the 2022 AGM are approved.

INTRODUCTION:

Acknowledgment of Traditional Territory. Options for participation in the AGM for in-person and virtual attendees. Review of Agenda, Board, Committee, Team members, and supporters. The Chair thanks to all volunteers and committee members for their support and their contributions to the co-operative.

PRESIDENT'S REPORT:

Mike Brigham, SolarShare President, summarized performance in 2022, showing it was one of SolarShare's best years to date. Looking ahead to 2023, we had our worst winter for solar production in Ontario since 1950. Reviewed new project opportunities, financial updates, O&M.

New Projects: SolarShare new projects will be limited to projects of similar risk to current FIT contracted projects to ensure members investments are secure. If we explore new projects outside of these risk parameters we would potentially found a "SolarShare 2".

O&M: Review of a few major issues addressed in 2022 – overall solar panels are safe and reliable but other system parts can fail (inverters, switches, cables). Options available as well to improve system performance (inverter replacement, tracking upgrades).

Q: What is SolarShare's total installed capacity?

A: Just over 12 MW DC

TREASURER'S REPORT:

Ashley Reid, SolarShare Audit Committee Chair, reviewed the 2022 audited financial statements. She noted we ended the year in a stronger cash position than prior years but with the poor winter that was useful. Inventory increased with Champion inverter purchases in the year.

The Board recommends that Kriens LaRose to continue as the auditor.

Resolution: It was moved by Ashley Reid and seconded by Doug Finley and passed by in person vote and electronic poll that Kriens-LaRose be appointed as auditors for the 2023 fiscal year.

FINANCE REPORT:

Doug Finley, SolarShare Finance Committee Chair, reviewed financial projections. Going forward, SolarShare will continue to reduce outstanding debt, including Solar Bonds. SolarShare will offer several bond terms and rates to manage future maturities and cash flow.

Q: What happens at the end of the FIT contract? Residual value remains in projects, are there options for future revenue?

A: Our financial projections assume zero revenue post-FIT contract, so bonds need to be fully repaid prior to end of term of contract

Q: Where happens post-FIT contracts?

A: TREC Renewable Energy Fund to explore options for future development, no additional returns to bond holders as they are already repaid

Q: Return has been pretty flat for the past few year, the risk profile hasn't changed much. Interest environment has changed dramatically. What are the plans to offer interest on bonds to stay competitive?

A: SolarShare has been able to issue Solar Bonds at rates lower than comparable investments due to our members' interest in "green investing" and history of good management by SolarShare. Currently waiting on FSRA receipt of Offering Statement and planning to offer 2-3-4 year bonds with interest in the 4% range. Try to keep the rate low to keep organizational expenses down but also need to set the rate high enough to attract investment. We are unique in our "green" offering.

Q: Will ZooShare's challenges negatively impact SolarShare?

A: SolarShare has a longer track record, multiple projects; the two organizations are not comparable.

Q: RRSP/TFSA eligibility? How would that benefit me as a bond holder?

A: Please speak with your financial advisor

Q: Doug Ford has said that we are losing money on FIT projects due to the higher rates.

A: Discussion of savings related to distributed generation and reduction of loss due to transmission.

Q: What is the plan if SolarShare isn't able to sell as many bonds as they want?

A: Plan A: use the different interest rate options we have, adjust rate if we need to.
Contingency #1: we have short term credit facilities in place. Contingency #2: we would work with our commercial lenders.

ELECTION OF NEW BOARD MEMBERS:

The Chair noted that there are currently three available spots on the Board, and three candidates running for re-election: Shama Ahmed, Mike Brigham and Pieter de Koning. The Chair called for other nominees and none were identified. Each candidate spoke to the membership for one minute.

Resolution: It was moved by Graysanne Bedell, seconded by Glen Campbell and passed by in person ballot and electronic poll that each of the three nominees are elected to the Board to hold office for the term of 3 years or until they leave office or a successor is appointed.

ANNOUNCEMENT OF ELECTION RESULTS:

The Chair announced that Shama Ahmed, Mike Brigham, and Pieter de Koning were elected to the Board of directors and congratulates them.

NEW BUSINESS UPDATE:

Patrick Collie, Chair of the New Business Committee, presented an update from the New Business Committee. The key goal of SolarShare at this time is maintaining our core business.

Acquisitions: seeking to acquire existing FIT contracted solar energy assets in Ontario.

Repowering: continuing to evaluate the economic benefits of repowering (improving existing sites with new equipment) projects with new technology.

Considering: IESO Capacity Procurement – battery storage, Investment Tax Credits for clean energy in 2023 Federal Budget – details pending. Also interested in Virtual Net Metering – continuing to lobby for Ontario government to prioritize these projects.

Q: Has SolarShare considered geographic expansion?

A: Our advantage is our community so we aren't competitive with international developers

Q: Technological advances in solar – is the innovation curve steep enough to justify investments in improvements?

A: Improvements are marginal at this point, the biggest change currently is the size of panels

Q: Are we putting up new projects?

A: No, no one in Ontario is able to put up new FIT projects; the only option right now is net metering and our models show the economics of net metering don't work for us at this time.

Q: How about district power and net metering?

A: There is some potential since it would be “behind the meter”, not something SolarShare is currently exploring.

SALES AND MARKETING PRESENTATION:

Pieter de Koning, Chair of the Marketing Committee, presented an update of marketing and bond sales and maturities. Plan to raise about \$3 million in bonds 2023 with \$500,000 already raised. Offering a selection of Solar Bond series to give members options.

Members are encouraged to log in to the Investor Portal to access information about their current investments and see opportunities to make additional investments.

Events: Co-op Lobby Day, Renewable Energy Conference, Good Investment Fair, System Tours

Q: What assumptions does the Board make around expectations of renewals on bond maturities?

A: Varied over time but it is something we track, in the range of 50%-70%

Q: With 2,100 members, do we have a strategy to grow the membership?

A: Growth needs to match the project pipeline, not aggressively trying to expand membership but working within range of projects that might be available for purchase. Some tension between continued expansion and goal of retiring the bond debt on existing projects.

Q: Are there very many projects out there potentially for purchase?

A: There are a limited number and it is a finite number since our focus is on Ontario FIT projects.

GOVERNANCE PRESENTATION:

Graysanne Bedell, Vice-President and Chair of the Governance Committee, presented an update on governance activities. Current project is review and modernization of the Trust Agreement (10-year review).

Resolution: It was moved by Mike Bringham, seconded by Shama Ahmed and passed by show of hands and electronic poll that the meeting be terminated.

Meeting Terminated at 8:50pm

Michael Bringham, President, TREC SolarShare Co-operative (No.1) Inc.