

SUN8 PDC LLC
c/o Distributed Sun LLC
601 13th Street NW, Suite 450 South, Washington, DC 20005

February 13, 2018

Tioga County Industrial Development Agency

Attn: Bryant Myers, Executive Director

56 Main Street
Owego NY 13827

Re: Update to the Application dated March 20, 2017 to the Tioga County Industrial Development Agency

Dear Mr. Myers,

In regards to the Application to the Tioga County Industrial Development Agency (the “TCIDA”) dated March 20, 2017 (the “Application”), SUN8 PDC LLC (“SUN8”) is updating the Application. Since the initial submission, SUN8 has undergone organizational changes and experienced market challenges that are reflected in this update. The changes of note are as follows:

1. **Assign Application.** SUN8 has created a new special purpose entity to continue development of the community solar projects in Spencer. The name of the new entity is “Spencer-Tioga Solar, LLC” (“STS”). STS is a wholly-owned subsidiary of SUN8. Additional organizational documents can be provided, if necessary.

Assignor: SUN8 PDC LLC, a Delaware limited liability company

Assignee: Spencer-Tioga Solar, LLC, a Delaware limited liability company

2. **Sales & Use Tax Abatement Amount.** On January 24, 2018, President Donald J. Trump announced a 30% tariff on solar modules imported into the United States of America¹. This tariff has increased Equipment costs, as defined in the Application, which directly increases the amount of Sales & Use Tax payable by the project. SUN8 is requesting a Sales and Use Tax Abatement that is in line with its higher project costs.

Revised Equipment Costs: \$16,824,659

Revised Estimate for Sales and Use Taxes (benefit): \$672,986

3. **Request for Mortgage Recording Tax Abatement.** Based on organizational requirements for the project, SUN8 has requested a Mortgage Recording Tax Abatement.

Revised Mortgage Amount: \$ 28,702,425

Revised Mortgage Recording Tax (benefit): \$215,268

Thank you for your continued support of our clean energy business.

¹ <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/january/president-trump-approves-relief-us>

Sincerely,

By: Spencer-Tioga Solar, LLC

SUN8 PDC LLC, sole member of Spencer-Tioga Solar, LLC

A handwritten signature in black ink, appearing to read "Jeff Weiss". The signature is written in a cursive style with a large, stylized initial "J" and "W".

Jeff Weiss

Co-Manager of SUN8 PDC LLC