SKYLINE

CASE STUDY

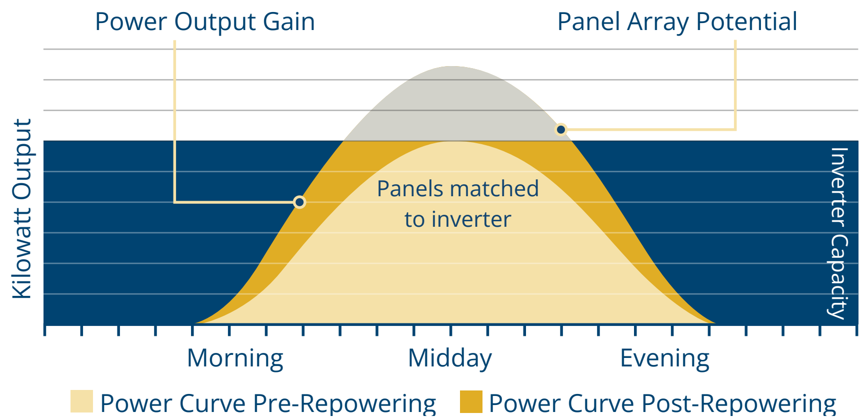
Repowering Solar Success: First Light 1

Skyline Clean Energy Fund is undertaking a $68MM re-investment project to repower select solar assets in its portfolio. This is both to increase value for investors and position the Fund to meet the projected increased demand for renewable energy in the future.

First Light 1 (FL1) is a utility-scale, ground-mounted solar project located in **Napanee, ON**, and is currently in the process of being repowered.

What is repowering?

Repowering solar assets refers to upgrading and replacing existing equipment to maximize electricity generated for sale, thereby increasing revenue and potential value for investors.



The focus of the repowering project is to maximize the amount of direct current (DC) electricity that is generated and turned into alternating current (AC) electricity, which the Fund sells under the government contracts in place. This is accomplished by replacing and upgrading equipment on the assets to ensure that the amount of DC electricity and, consequently, revenue generated is maximized throughout the day. Skyline Energy, the asset manager for the Fund, established criteria to determine which solar projects in the portfolio were ideal candidates for repowering.

First Light 1

By the numbers

Repowering status

Projected to be completed Q3 2026

Contract details

Type: Government-backed Ontario Renewable Energy Standard Offer Programme (RESOP)
Fixed rate: $0.42/kWh
Time remaining: Expires 2029, located on land owned by the Skyline Clean Energy Fund

Capacity

	Pre-repowering	Post-repowering	Increase
Current size	7,500 kW AC / **9,044 kW DC**	7,500 kW AC / **14,884 kW DC**	65%
Overbuild	21%	98%	46%
Projected annual earnings	$3.7MM	$6.4MM	74%

Investment snapshot

Estimated Internal Rate of Return (IRR): 18.12% | **Projected value created:** $2,280,856*

Project considerations

As with all of the solar projects targeted by the asset manager for the repowering initiative, FL1 is backed by an IESO Renewable Energy Standard Offer Programme (RESOP) contract, which purchases the alternating current (AC) electricity generated by the asset. Under the contract, Skyline Clean Energy Fund is not allowed to increase the system footprint outside the engineering design that was approved when the system was initially constructed. This means repowering FL1 can only be accomplished by swapping older solar panels and inverters (the equipment that turns the direct current (DC) electricity generated by the panels into AC electricity) for newer, more efficient equipment that would not take up additional space outside the system's current perimeter, but would increase the DC-electricity-generating capacity of the system.

Project plan

The asset manager contracted a leading Ontario-based solar installer and developer with an extensive understanding of the Ontario renewables market to provide turn-key engineering, procurement, and construction (EPC) services to develop a repowering plan that would maximize Skyline Clean Energy Fund's return on investment. Working together, the proposed repowering plan for FL1 includes:

- Replacing current 70W solar panels with a blend of new 610W, 615W, and 620W bifacial panels
- Replacing conduit cabling, connectors, combiners, and other PV cables
- Retrofitting the current inverter configuration to replace the 15 existing 500kW Satcon inverters with 38 new 250kW Solis inverters, in order to better handle the projected system size increase

The contractor is also working diligently with the asset manager to mitigate any risks around the in-place contract and cash flow for the generated electricity.

Specifically, the contractor will support the asset manager in preparing and submitting a connection impact assessment to the IESO, even though expanding the DC-generating capacity of the solar panels is allowable under the RESOP contract and is protected by legal precedent. This will help ensure that Skyline Clean Energy Fund maintains approval of FL1's authorization to generate with the local utility, with no interruptions.

Additionally, the contractor worked with the asset manager to prepare all required materials to receive an updated connection authorization and certificate of inspection from the Electrical Safety Authority (ESA) before construction began, thus further ensuring the success and profitability of the repowering.

*Projected at repowering completion. Value created is the net present value (NPV) of the project's incremental cash flows, net of the capital investment.

First Light 1 project results

FL1 is currently being repowered and is projected to be complete and producing energy at the new system size by early Q3 2026.

After the proposed changes are implemented, the system will maintain the same kW AC capacity (as required under the RESOP contract) but will have a projected increase to 14,884 kW DC capacity, a 65% increase. Projected earnings are also expected to increase, rising from $3.7MM per year to $6.4MM per year with the new panels and inverters installed, along with the replaced conduit cabling, connectors, combiners, and other PV cables, marking a $2.7MM or **74% increase in revenue per year**.

With regard to how this measures up in Skyline Clean Energy Fund, the projected IRR for the asset repowering is 18.12% and the projected value created by the investment is $2.3MM,* which represents the added value from the investment and will have a direct impact on the unit value for investors as all earnings from the assets will be re-invested within the Fund.

SKYLINE

Power your portfolio with Skyline Clean Energy Fund today

Invest with Skyline and help repower solar assets for future value.

Scan/click now to speak to an expert about how **Skyline Clean Energy Fund** can strengthen your portfolio for the long term.

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