Propel FAQs

What is Propel?
Propel is a Prepaid Energy Services Agreement (ESA) Program that, when paired with a loan, offers the greatest potential savings for homeowners looking to add a Solar Energy System to their home. It also offers a guaranteed path to ownership within five years.

Who is SolSource?
SolSource is the Developer and Third-Party Owner (TPO) of the energy system under the Propel program. As the ESA provider, SolSource finances, owns, and manages the system during the initial term of the agreement.

What is an ESA?
An ESA is an agreement between the customer and the system owner under which the latter agrees to provide energy services. ESAs, Leases, and Power Purchase Agreements (PPAs) are all types of Third Party Ownership (TPO). With TPO products, the system is owned by the TPO provider, not the customer.

How does Propel work?
SolSource owns the system initially, maximizing the value of the available tax incentives, resulting in a lower total system cost for the customer. The homeowner then finances that lower cost with a Concert loan, making their solar system more accessible without a large cash outlay.

If the homeowner does not want to become the owner of the system, is this the right product for them?
Probably not. Propel is specifically designed to provide homeowners with a low-cost path to ownership by year 5. While the agreement does allow homeowners to opt out of the Early Buyout, the greatest financial benefit comes from exercising the buyout option and becoming the system owner. If a homeowner is not interested in owning the system, other third-party ownership models, such as traditional leases and PPAs, may be more appropriate.

How does the homeowner become the owner of the system?
When the homeowner signs the Propel ESA, they agree to prepay for 25 years of energy services and fund the Early Buyout Fee, both of which are financed through a Concert loan. These funds are held by the lender and automatically applied to purchase the system at the end of year 5, unless the homeowner elects to opt out. If the homeowner does elect to opt out, they'll still have the option to purchase the system at the end of years 6.5 or 8.

What happens at the end of the initial term if the homeowner opted out of the Early Buyout?
At the end of year 25 (the initial term), the homeowner may do one of the following:

- They can purchase the system at Fair Market Value (FMV).
- They can renew their agreement for up to 10 additional one-year renewal terms.
- They can have the system removed at their expense.

What happens in the event of a home sale?

- Before the end of year 5
    - Loan: Must be transferred to a new qualified borrower or paid off
    - ESA:
        - Can be transferred to the new homeowner. If transferred, the buyer must assume the Early Buyout Option.
        - Alternatively, the seller may choose to purchase the system before the sale and include it in the home transaction, though this is typically less advantageous than transferring the ESA.
- After the end of year 5
    - Loan: Must be transferred to a new qualified borrower or paid off
    - ESA: If the Early Buyout has not been exercised then the new homeowner must purchase the system. The homeowner cannot transfer the ESA after year 5.

What home improvements can be included in the ESA?

- Modules, inverters, racking, balance of system (BOS)
- Energy storage system components (batteries)
- Required electrical upgrades such as main panel upgrades, line-side taps, subpanels
- Tree trimming costs that will improve the solar system production
- Structural reinforcement to support the solar
- Other items needed to support an effective solar installation

Are there roofing material requirements for the home to be eligible?

Roofing types must be rolled comp/asphalt shingles, fiber cement, metal shingles, standing seam, clay or concrete tiles, rolled tar, and gravel are approved roofing materials.

Is the Approved Vendor List (AVL)* different for Propel?

Yes, please view this page for the current Propel AVL

**AVL is subject to change in the future*

What is the Loan Reamortization timeline?

There are 3 Reamortization Dates after the 12th, 24th and 36th monthly payment.

When is the first payment date?

The customer's first loan payment is due ~75 days after Substantial Completion. If the project has not achieved PTO within 60 days of Substantial Completion, the customer's first payment will be deducted from the 10% PTO Holdback payment owed to the installer. If the project continues to not achieve PTO, subsequent payments will be deducted from the PTO Holdback and applied to the customers loan.

What are Investment Tax Credit (ITC) adders?

Under the Inflation Reduction Act (IRA), qualifying solar projects can earn additional tax incentives called ITC Adders. These adders increase the standard tax credit beyond 30%, potentially reaching 50% of the project's value. A project can earn an extra 10% for each of the following:

- Energy Communities: A location based incentive for areas historically tied to fossil fuel industries or regions with high unemployment due to fossil fuel job losses.

- Domestic Content: For projects that use a certain percentage of U.S.-manufactured components. This supports domestic manufacturing and supply chain development.

What happens to the funds in escrow if the homeowner chooses to opt-out of the Early Buyout at year 5?
If the homeowner decides not to purchase the system using the Early Buyout Option:

- They will not receive the Early Buyout Funds as a cash payment.
- The funds in escrow will be applied to the principal balance of the loan.

What happens if the system underperforms?
The ESA includes a 5-year Performance Guarantee. A production assessment is conducted at the end of years 2, 4 and 5. If the system underperforms against the guarantee, the homeowner will receive a refund based on the shortfall in kilowatt-hour (kWh) production, multiplied by the guaranteed price per kWh. Excess production in earlier periods can be carried forward to offset future shortfalls.

Who maintains the system?
The system is designed using high-quality components from reputable manufacturers that offer warranties aligned with the full term of the ESA: 25 years for the solar system and 15 years for the battery. If a major component fails during the first 5 years, the system owner will repair or replace it at no cost to the homeowner under the Limited Warranty.

After Year 5, if the homeowner has exercised the Early Buyout and owns the system, SolSource will continue to provide asset management services, including monitoring and warranty claim coordination, until the end of year 25. If the homeowner has opted out of the Early Buyout and SolSource retains ownership, SolSouce will provide monitoring and claims management services through the end of year 25.

How will system performance be tracked?
All systems installed under Propel use Enphase microinverters, which provide module-level monitoring through the Enphase Enlighten platform. Homeowners will have access to real-time and historical performance data via the Enphase app, allowing them to track system production, energy usage, and battery status (if applicable).

To ensure accurate monitoring and performance reporting, homeowners must maintain a functioning indoor high-speed internet connection to support the system's communication gateway. If internet access is unavailable or interrupted, the system owner may not be able to monitor the system remotely, and the homeowner may be required to manually provide production data from the system.

Who is responsible for insurance?
Under the Propel program, SolSource is responsible for the system during the first 5 years, unless damage is caused by homeowner negligence. Beginning in Year 6, the responsibility to insure the system shifts to the homeowner, regardless of whether they choose to purchase the system or continue under the ESA.

Disclaimer: *This document provides a summary of key features of the Propel program for installer use only, customers should review their ESA for full details.*