

# **Solar Secondary Market:** (Aka: Aftermarket)

--Any product that falls outside the traditional supply chain

## **Examples:**

- Surplus, clearance, fire sales
- Excess, left-over parts from projects
- Product liquidations, auctions
- Refurbished goods and recycled material

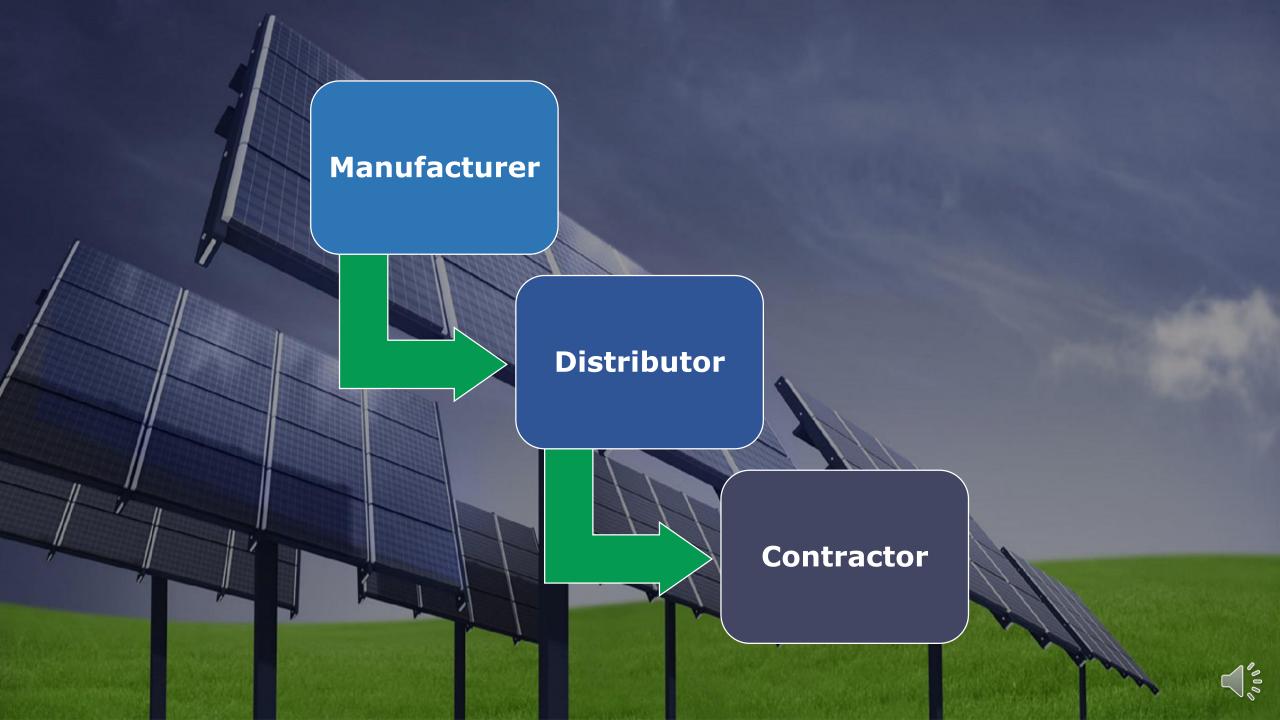
# Imagine...

Resellers, Suppliers, Recyclers, and Refurbishment Firms Solar Companies and Equipment Brokers

Robust Solar Aftermarket

Support:
Insurance,
Finance,
Logistics, 3<sup>rd</sup>
Party Warranty
Firms, Etc.







# The <u>Market Hub</u> where PV professionals connect to buy & sell wholesale solar equipment:



Manufacturer 12%



Distributor
Supplier
16%



EPC
Installer
Contractor
O&M
65%



Broker 5%



Recycler Logistics Finance Insurance Software 3%

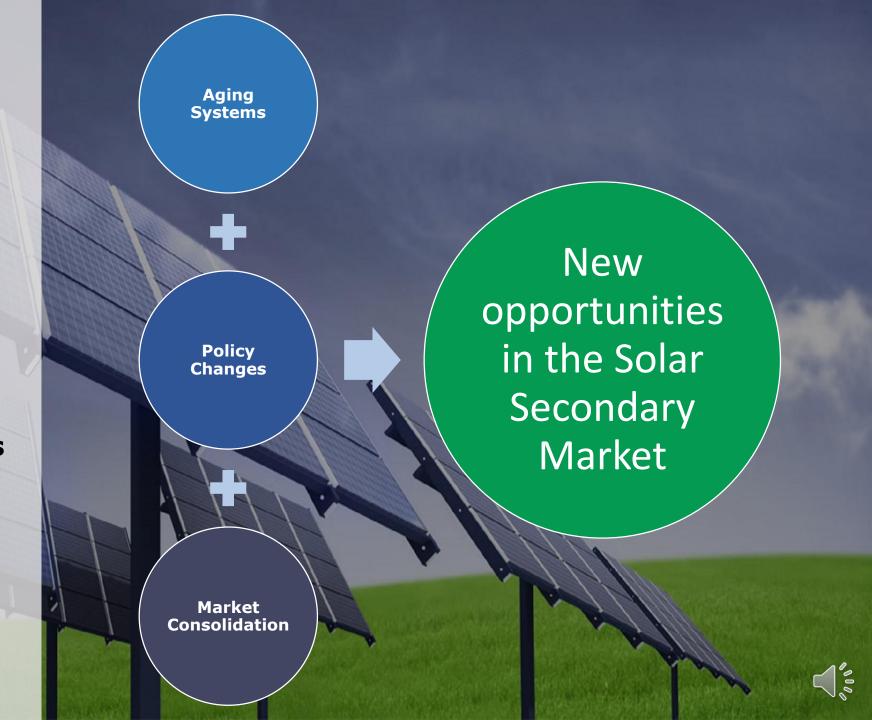
Companies trade based on supply & demand rather than business category.





# In the U.S. Solar Market, 3 Economic Drivers:

- ✓ Aging Systems
- ✓ Policy & RegulationsChanges
- ✓ Market Consolidation
- (1) Contribute to today's secondary market viability
- (2) Lead to new opportunities in the future



# **Aging Systems:**

2010 U.S. Solar Capacity:

956 MWdc + 440MW off-grid + 2,148 MW (previous years)

= 3,544 MW

Most aging systems are located in top 10 states:

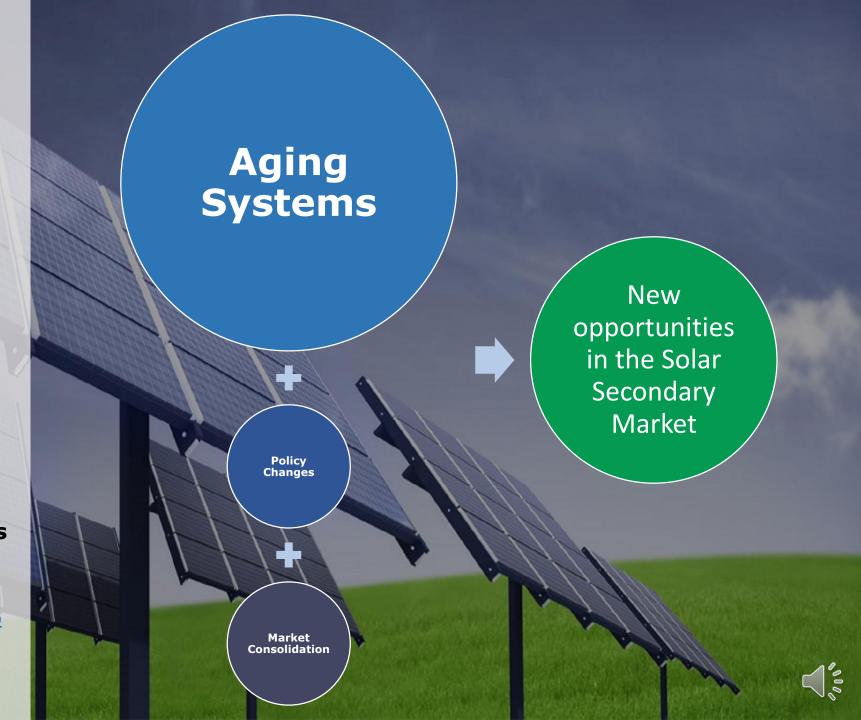
CA	NJ	FL	AZ	CO
HI	NY	MA	СТ	NC

**O&M Opportunities: Panel Cleaning – Repairs – Parts Replacements – Systems Updates** 

#### Sources:

**SEIA U.S. Solar Industry A Year in Review: 2009** 

**NREL 2010 Solar Technologies Market Report** 



## **Policy Changes:**

## System upgrades

- Potential resale value for gently used components
- > Test Safety & Verify Performance

# New, never-been-opened stock that is now obsolete

Resell new equipment to buyers outside your region

### **End-of-Life Material**

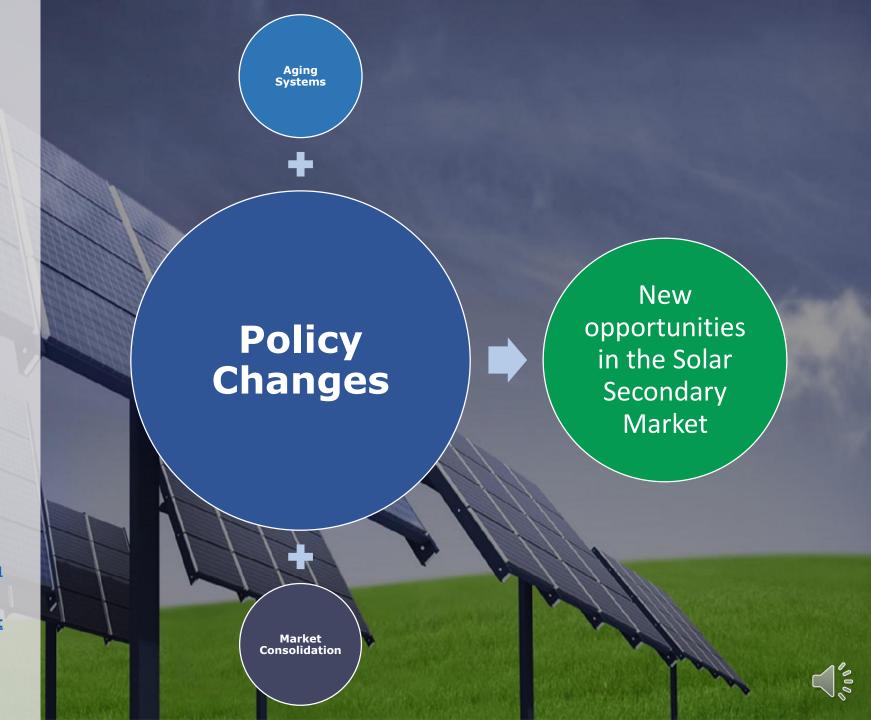
Connect to a recycler

#### Sources:

Old solar panels get second life in repurposing and recycling markets

8 Best Practices of Wholesale Solar Equipment Resellers

**SEIA National PV Recycling Program** 



## **Market Consolidation:**

## **Product Liquidations**

✓ Solar Equipment Brokers make product available once again at discounted rates

## **Customer Acquisitions**

- ✓ Out-of-Business for one company leads to new customers for others
  - ✓ O&M Services: 41% of installers offer O&M services

## **Surplus/Left-Overs**

√ Recoup cash from overstock

#### Sources:

A Comprehensive Guide to Wholesale Solar Equipment Brokering

**National Solar Jobs Census** 

**Solar Equipment Brokers Give Excess Stock New Life** 



# **U.S. Solar Secondary Market Outlook:**

- By 2024, 1.7 GWdc = 10+ years old
- > 3,544 MW = 15+ years old
- Increase in O&M services in top markets: CA, TX, FL, NC, and NV
- New policies on the horizon grid security and EOL management
- Increase in RFQs on trading platforms from contractors looking to verify pricing and product availability
- Revenue portfolio diversification
  - > 0&M Services
  - Solar Equipment Brokering

#### Source:

The US Installed 6.2GW of Solar in 2014, Up 30% Over 2013

# The Future... Is Here!

Resellers, Suppliers, Recyclers, and

Refurbishment

Firms

and Equipment Brokers

**Solar Companies** 

Robust Solar Aftermarket

Support:
Insurance,
Finance,
Logistics, 3<sup>rd</sup>
Party Warranty
Firms, Etc.



# Thank you!



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