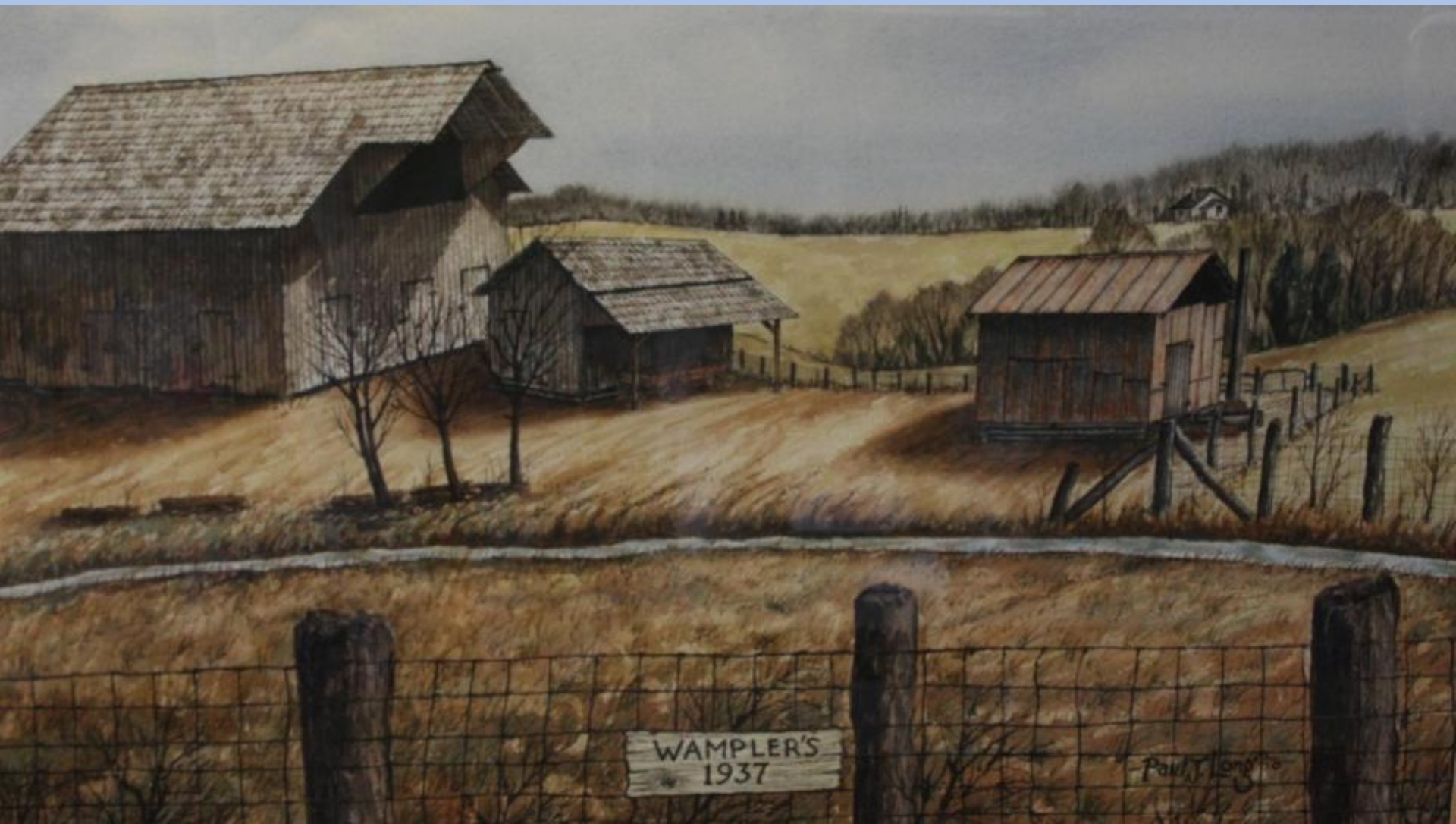


**Family owned and operated since 1937.**

Our sausage hasn't changed—but the way we make it has.





# Innovative and SQF Certified



# WAMPLER'S FARM SAUSAGE

Why did we Invest in Solar Power?

Solar Power Projects 1. 2. 3. 4.

Financials for Each

The Future:

**WHY DID WAMPLER'S FARM INVEST IN SOLAR?**

# Environment:

**Agricultural Company -  
Understanding**

**Millions of Consumers -  
Responsibility**



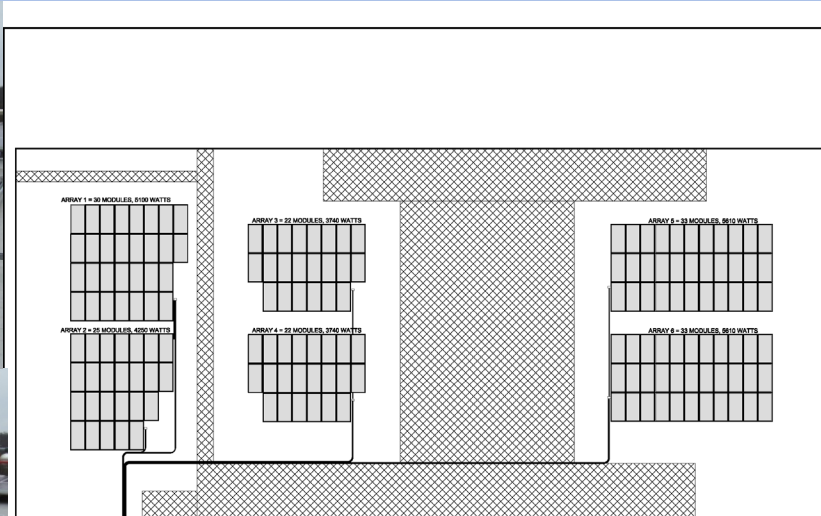
# **WHY DID WAMPLER'S FARM INVEST IN SOLAR?**

## **Business and Marketing**

- **Community Stand Point –**  
**The right thing to do!**
- **Marketing Stand Point –**  
**The only thing to do!**
- **Business and Economic Stand Point –**  
**(With the help of USDA)**  
**The possible thing to do!**



# 30 kW SOLAR PROJECT



# #1: FINANCIAL

1

Cost of Solar System:	\$ 201,017.00
Grants*	
TN - CET	\$ 75,000.00
USDA	\$ 46,875.00
TVA Start up	\$ 1,000.00
Taxable Income	\$ 122,875.00
Net after Grants	\$ 78,142.00

# #1: FINANCIAL

2

## Tax Benefit of Solar Grants:

Total Cost	\$ 201,017.00
Solar Tax Credit Percentage	30%
Tax Credit	<u>\$ 60,305.00</u>



# #1: FINANCIAL

Depreciation Base:	3	
Total Cost		\$ 201,017.00
Less - 1/2 of Solar Tax Credit		
(1/2 of \$60,305.00)		\$ 30,153.00
Depreciation Base		\$ 170,864.00
* Depreciation - 1st year - 50% Bonus		\$ 85,432.00
** 1st year - Regular Depreciation		\$ 4,322.00
Total First Year Depreciation		\$ 89,754.00

\* Special rule for all new equipment Depreciated in 2008, 2009

\*\* Special rule for Solar Equipment - 5 year write off

# #1: FINANCIAL

**Net Cash Investment:** 4

<b>Total price of Solar Project</b>	<b>\$ 201,017.00</b>
<b>Total amount of Grants</b>	<b>\$ 122,875.00</b>
<b>Total amount of Tax Credit</b>	<b>\$ 60,305.00</b>
<b>Net Cash Investment</b>	<b>\$ 17,837.00</b>
<b>Estimated Annual Income</b>	<b>\$ 7,500.00</b>

# #1: FINANCIAL

<b>Cost of Solar System:</b> \$ 201,017.00		<b>Tax Benefit of Solar Grants:</b>	
<b>Grants*</b>			
TN - CET	\$ 75,000.00	<b>Total Cost</b>	\$ 201,017.00
USDA	\$ 46,875.00	<b>Solar Tax Credit Percentage</b>	30%
TVA Start up	\$ 1,000.00	<b>Tax Credit</b>	<u>\$ 60,305.00</u>
<b>Taxable Income</b>	<u>\$ 122,875.00</u>		
<b>Net after Grants</b>	<u>\$ 78,142.00</u>		
<b>Depreciation Base:</b>		<b>Net Cash Investment:</b>	
<b>Total Cost</b>	\$ 201,017.00	<b>Total price of Solar Project</b>	\$ 201,017.00
<b>Less - 1/2 of Solar Tax Credit</b> (1/2 of \$60,305.00)	<u>\$ 30,153.00</u>	<b>Total amount of Grants</b>	\$ 122,875.00
<b>Depreciation Base</b>	<u>\$ 170,864.00</u>	<b>Total amount of Tax Credit</b>	<u>\$ 60,305.00</u>
* Depreciation - 1st year - 50% Bonus	\$ 85,432.00	<b>Net Cash Investment</b>	<u>\$ 17,837.00</u>
** 1st year - Regular Depreciation	<u>\$ 4,322.00</u>		
<b>Total First Year Depreciation</b>	<u>\$ 89,754.00</u>	<b>Estimated Annual Income</b>	<u>\$ 7,500.00</u>
* Special rule for all new equipment Depreciated in 2008, 2009 ** Special rule for Solar Equipment - 5 year write off			

# 500kW PV Solar Power



07.03.2011



# **500kW PV Solar Power Sustainable for us and Tennessee!**



09.28.2011

# The 500kW Solar Project

System Cost	
Contract (4.69 / kW)	\$ 2,346,674.00
Additional Cost on the Farm	\$ 107,939.54
Total System Cost	\$ 2,454,613.54
(Must be paid up front)	
Fed ITC/ REG (30%) as 1603	\$ 704,002.20
USDA REAP Grant	\$ 250,000.00
TVA	\$ -
Total Incentive	\$ 954,002.20
Net Out of Pocket Cost	\$ 1,500,611.34
Cash Down (0.324 / kW)	\$ 270,026.34
Amount to be Financed	\$ 1,230,585.00



## Wampler's Farm Sausage

- Y2011 Tax Depreciation of the of the entire 500kW Solar PV System

$$\$2,346,674 - \$352,001 = \$1,994,673$$

- Two Projects:

\$1,137,182.00 in Grant Income and Tax Incentives

# USDA Reap Grant \$250,000 and Loan Guarantee \$1,230,585





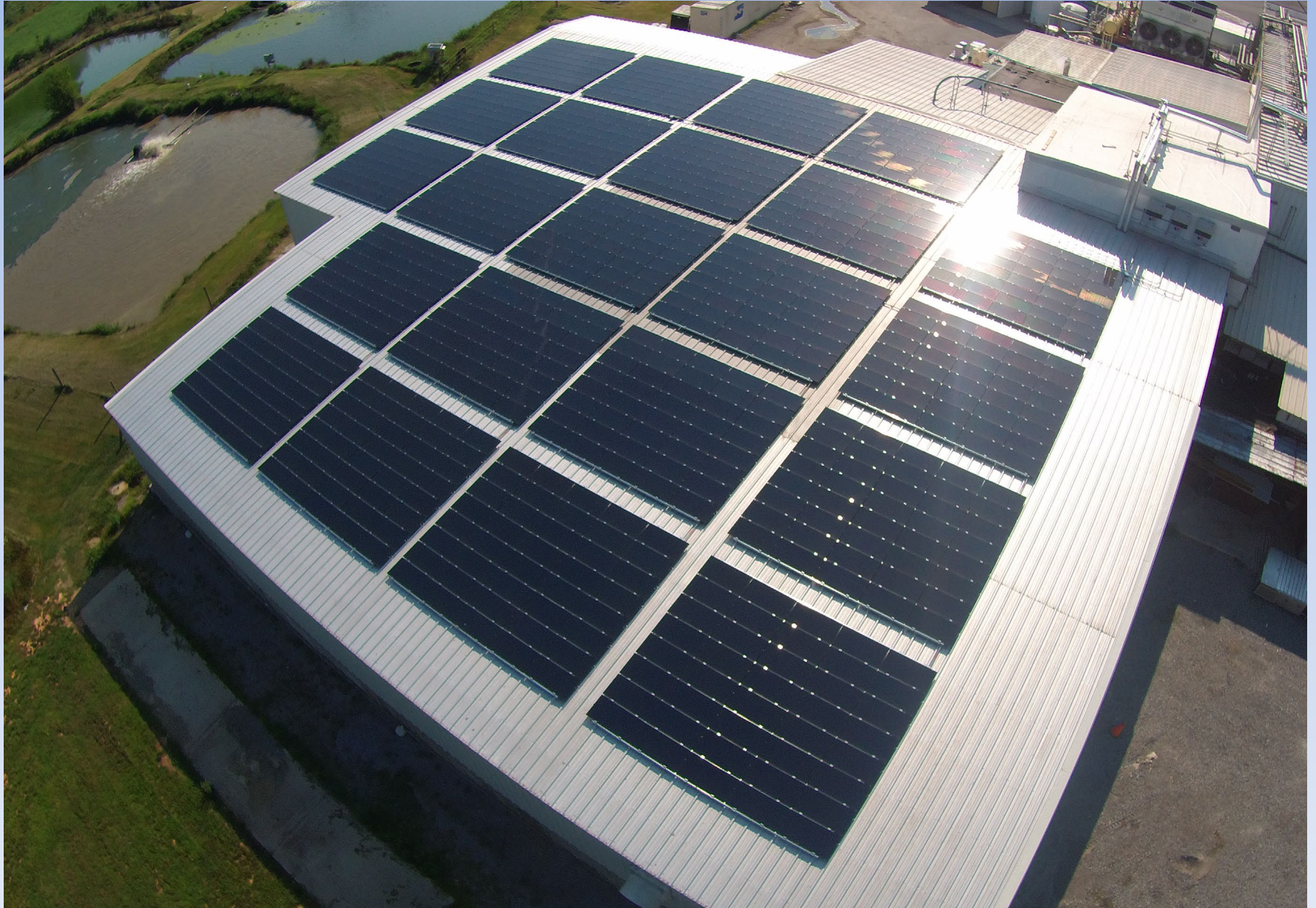


## Knoxville Zoo 48.02 kW Solar Photovoltaic System





# 101 kW Solar Project



# 101 kW Array Financials

- 2018 Turnkey cost of 100 kW array - \$145,382
  - Cost per watt – \$1.45
- REAP Grant – \$20,000
- FTC – \$37,614.60
- Depreciation – \$43,035.40
- Yearly return – \$10,000+
- ROI – About 4.4 years!



# The Future

