

PREFILED DIRECT TESTIMONY OF
WYATT TOOLSON
ON BEHALF OF OAK TRAIL SOLAR, LLC

NCUC DOCKET NO. EMP-114, SUB 0

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INTRODUCTION

Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.

A. My name is Wyatt Toolson. I am a Director of Project Finance for First Solar Development, LLC, a wholly owned indirect subsidiary of First Solar, Inc. (“First Solar” or the “Company”). My business address is 350 W. Washington St. Suite 600, Tempe, AZ 85281.

Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I have approximately seven years of experience working in a strategy and financial capacity in the field of large scale energy infrastructure. I joined First Solar in 2014. I have a Bachelor of Science in Mathematics from Harvey Mudd College and an MBA from the Stanford Graduate School of Business.

Q. PLEASE SUMMARIZE YOUR CURRENT EMPLOYMENT RESPONSIBILITIES.

A. My current responsibilities include managing domestic and international project financings and corporate financings for First Solar. In this capacity, I have raised approximately five billion dollars in capital to support the construction and operation of solar power generation. My responsibilities include directing all financing activity for the Oak Trail Solar, LLC (“Oak Trail”) project in

22 Currituck County, NC (the “Project” or “Facility”). In addition, I help underwrite
23 and negotiate PPAs for new projects, lead corporate development activities, and
24 work with our corporate finance team on various matters. I manage a team of
25 finance professionals.

26 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS**
27 **COMMISSION?**

28 A. No.

29 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

30 A. The purpose of my testimony is to provide the Commission with
31 background information about First Solar’s financial capabilities, and in particular
32 the financing of the Oak Trail Project.

33 **FINANCIAL CAPABILITY**

34 **Q. PLEASE DESCRIBE THE APPLICANT’S FINANCIAL**
35 **CAPABILITY TO OWN AND OPERATE THE PROJECT.**

36 A. As discussed in the application, Oak Trail is a limited liability
37 company organized for the development and ownership of this Project. Oak Trail
38 is a wholly owned indirect subsidiary of First Solar. First Solar has one of the
39 strongest balance sheets and cash positions in the solar industry. First Solar has
40 the financial capability and experience to build, own, and operate solar power
41 generation facilities, including the Project. A copy of First Solar’s most recent
42 annual report to stockholders is included as **Application Addendum 2**. In
43 addition, First Solar has the capability to arrange adequate assurances,
44 guarantees, financing and insurance for the Project’s development, construction
45 and operation. First Solar structures and arranges project financings through a

46 dedicated, in-house staff of finance professionals located in Tempe, Arizona, San
47 Francisco, California, and Denver, Colorado.

48 **Q. HOW WILL THE PROJECT BE FINANCED?**

49 A. Consistent with its prior experience, First Solar plans to use its
50 balance sheet to finance the development and construction of the Project. As
51 indicated in the financial statement in Addendum 2 to Application Exhibit 1,
52 the cash on the balance sheet is expected to be sufficient for the entire
53 construction cost of the Project. The estimated construction costs have been
54 provided, under seal, as *Confidential* Addendum 3 to Application Exhibit 2.
55 An additional third-party is often brought in later in the development cycle to
56 provide tax-equity financing, which allows the project to more efficiently utilize the
57 federal tax benefits associated with renewable energy projects.

58 **Q. DESCRIBE FIRST SOLAR'S EXPERIENCE WITH RAISING**
59 **PROJECT FINANCING IN SUPPORT OF DEVELOPMENT.**

60 A. First Solar is highly experienced in raising corporate and project
61 level financing in support of developing, constructing, and/or operating its energy
62 projects. Since its inception in 1999, First Solar has raised more than \$18.5
63 billion of tax equity, sponsor equity, and project debt and has worked with more
64 than 20 financial institutions in connection with the successful development of
65 more than 50 solar projects in the United States. First Solar's financing
66 relationships include such institutions as Bank of America, Goldman Sachs and
67 JP Morgan.

68 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

69 A. Yes.