

Dear customer,

The world is facing an unprecedented health and economic crisis. Like you, we are working hard to continue to provide uninterrupted supply to our trusted partners in these difficult times. We are aware of various resources that can help companies in the solar PV industry. We thought it might be helpful to share some of this information with you and this newsletter is an attempt to do just that. Note that the list below is not comprehensive and should not be considered legal or tax advice. We also cannot guarantee that your firm is eligible for these benefits. Feel free to share this more widely and do not hesitate to get in touch with us if have any questions.

REC is committed to our partners and want to do everything we can to ensure your success. Stay strong, stay safe, and we look forward to a long and successful partnership with you.

Sincerely,

Cary Hayes — President, REC Americas LLC

April 7, 2020

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## Business and Tax Support from the Federal Government

The newly passed CARES Act contains a number of programs that are potentially available to solar PV companies:

1. **Payroll Protection Program**— Businesses, startup veterans organisations and non-profits with 500 employees or less are eligible for zero-fee loans of up to \$10 million. Up to 8 weeks of average payroll and other costs will be forgiven if the business retains its employees and their salary levels throughout the coverage period of February 15, 2020 – June 30, 2020. Principal and interest on loans is deferred for up to a year and all borrower fees are waived. More details [here](#).
  2. **Employee Retention Credit** — Companies are eligible for a 50% credit against all payroll taxes, up to a maximum of \$5,000 per employee, provided that gross receipts decline by more than 50% in one quarter versus the same quarter one year ago. Not available to companies that participate in the Payroll Protection Program. More information is available [here](#).
  3. **Delayed Payment of Certain Payroll Taxes** — The Act allows virtually all employers to delay payments of employer side Social Security taxes for the period from March 27, 2020, through December 31, 2020. Half of the deferred taxes are due by December 31, 2021; the other half by December 31, 2022. More details [here](#).
  4. **Paid Sick Leave for Workers** — For COVID-19 related reasons, employees can receive up to 80 hours of paid sick leave. More details [here](#).
  5. **Expanded Paid Child Care leave** — Available to employees whose children's schools or places of child care are closed. Employees are entitled to entitled to paid family and medical leave equal to two-thirds of the employee's regular pay, up to \$200 per day and \$10,000 in the aggregate. More details [here](#).
  6. **Emergency Economic Injury Grants** — An advance of \$10,000 to small businesses and nonprofits that apply for an SBA economic injury disaster loan (EIDL) within three days of applying for the loan. You get the grant even if the loan is turned down and it may be used to pay for any business obligations, including payroll, debts, rent and mortgage payments. Not available if companies are also applying for a PPP loan. More details [here](#).
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## Federal Government Support (continued)

7. **Debt Relief for SBA Borrowers** — Immediate relief to small businesses with standard SBA 7(a), 504, or microloans. Under this provision, SBA will cover all loan payments for existing SBA borrowers, including principal, interest, and fees, for six months. This relief will also be available to new borrowers. More details are available [here](#).
8. **Limitation on Business Interest** — temporarily increases the amount of interest expense businesses are allowed to deduct on their tax returns, by increasing the 30-percent limitation to 50 percent of taxable income for 2019 and 2020. Please consult your tax preparer or accountant for details.
9. **Net Operating Losses** — a NOL arising in a tax year beginning in 2018, 2019, or 2020 can now be carried back five years. Please consult your tax preparer or accountant for details.
10. **Limitation on losses for non-corporate payers** — The current 80 percent carryback limitation would be lifted for pass-through entities to harmonize with corporate NOL treatment for 2018, 2019, and 2020. Please consult your tax preparer or accountant for details.

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## Keeping your workers and customers safe

Continuing to do business while keeping our workers and customer safe means new rules of engagement. The Solar Energy Industry Association has produced a very helpful document that establishes some ground rules for solar PV companies that incorporates CDC as well as OSHA and WHO guidance. You can access that guide [here](#). Note that these are guidelines so be sure to use your own judgment here and to follow the recommendations of local and national health authorities.

## Permitting Considerations

With many Authorities Having Jurisdiction (AHJs) closed or not open for walk-in visits, permitting solar PV installations can be a huge challenge for installers. The National Renewable Energy Laboratory (NREL) has launched a collaborative effort with key code officials, AHJs, and the solar industry to develop an instant online solar permitting platform for code compliant residential systems. More details are available [here](#).

Information on which AHJs are open and/or are currently accepting applications can be found [here](#). Please check back often for updates.

## Selling solar remotely

New conditions require new approaches. A number of companies, including REC Americas, have developed approaches on how to sell solar remotely. If you are interested in signing up for an REC webinar on how to do this effectively, please contact your Key Account manager at REC.

Aurora Solar has also developed a comprehensive tool kit to assist installer with remote solar sales and installations—information is available [here](#).

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## Stay at home orders and impact on solar services

Stay-at-home orders and business closures have created some confusion about whether solar PV can be considered an essential service and therefore whether solar PV workers are subject to stay-at-home orders. In all cases, the Solar Energy Industry Association recommends that all companies refrain from all door to door sales activity. However, it should be noted that some solar PV activity is allowed under Federal and certain State rules. Things are changing quickly and in all cases, please do check with your local authorities regarding what is permissible locally. Below is some information.

**Federal Guidance** — According to the Department of Homeland Security, the solar PV industry considered to be an essential energy service. See the DHS announcement [here](#) for a detailed explanation. Do note however, that the DHS mention that, “individual jurisdictions should add or subtract essential workforce categories based on their own requirements and discretion.”

**State Guidance** — The National Governors Association website provides up-to-date information on Statewide Closures of non-essential businesses as well as Stay-at-home orders. Details are available [here](#). SEIA also maintains a running list of State Closure actions on its website and that information is available [here](#).