Business of Local Energy Symposium
CCA Start-up Financing

Two Main Financing Needs:
1. Seed Capital – covers operating expenses prior to commencing operations
2. Working Capital – covers negative cash flow in early stages of operations
Sizing the Working Capital Facility

- Energy load for entire jurisdiction
- Phasing of roll-out
- Trade credit terms from power supplier
- Seasonality
Key Factors in Credit Evaluation

• Management team
  ➢ Political Savvy
  ➢ Entrepreneurial
  ➢ Knowledge of the Energy Market and Contract Negotiations
  ➢ Marketing

• Community support and governance

• Financial modeling
Lessons Learned

• The financial model will be wrong
• Communication with your bank is important
• Hire a partner which will be responsive to your changing needs