



# ENERGY311

Be Your Own Power Grid™

## Energy311 Case Study: IHA Partners and Stellar Solar

How Energy311's automated utility billing platform helped IHA Partners add over \$60,000 in annual NOI and nearly \$1M in building value through solar energy.

<https://energy311.com> | [sales@energy311.com](mailto:sales@energy311.com) | 858.255.1664



# About IHA Partners and Stellar Solar

## IHA Partners, Inc.

IHA Partners, Inc. (IHA) manages over 500,000 sqft of office, medical, retail, and industrial space in the county of San Diego. IHA has extensive experience in all areas of commercial property management, tenant improvements, leasing, financing and acquisitions.

## Stellar Solar

Stellar Solar (Stellar) is the premiere solar installer in San Diego, having installed over 12,000 rooftops in the area and has been voted the Best Solar Company in San Diego 9 of the last 11 years by readers of Union Tribune, including 2021.

## IHA BEFORE adding Energy311

9855 Erma Rd is a medical office complex that is master metered. As defined in the lease terms, the tenants agree to pay for the electricity bill using Ratio Utility Billing System (RUBS), which splits the bill based on tenant square footage. After the building owner expressed an interest in solar, Stellar began researching the best way to meet the project requirements:

### Lease Compatibility

Charge tenants for solar without triggering changes to the existing tenant leases.

### Financing Options

Financing options for the project

### Tax Incentives

Maximize tax incentives.

### Additional NOI

Create additional Net Operating Income (NOI).

# The Challenge: How to bill energy? Why are PPAs bad?

One solution for billing energy is a power purchase agreement (PPA). Consideration was given to drafting an agreement to provide power to tenants at a fixed fee for 20 years, with a 3% per year rate escalator.

## PPAs introduced risk for both tenants and IHA:

### Lease Term Changes

A binding 25 year contract would force changes to existing lease terms.

### Energy Pricing Risk

It's difficult to predict energy pricing. If market price for energy increases faster than the PPA's defined fixed rate + escalator, the building owner suffers lost profits. If energy prices increase slower than expected, tenants end up with a larger energy bill than if they had bought power directly from SDG&E.

### Consumption Uncertainty

It's difficult to predict energy consumption. Higher than expected consumption reduce profit as more grid power is purchased at local utility rates, and sold to tenants at a discounted fixed rate. Lower consumption means that tenants are contractually obligated to pay for electricity they may not need.

📄 Generate 3X more revenue than traditional PPA models by selling electricity to tenants at the highest utility TOU rates instead of fixed-rate Power Purchase Agreements.

# How Does Energy311 work?

Built on three foundational pillars: Accurate Billing, Maximum Profit, and Tenant Trust & Transparency.



## Accurate Billing

- Precision billing that tenants trust and owners can rely on
- Automated tenant billing with detailed bills and payment notifications
- Integration with diverse metering technologies



## Maximizing Owner Profit

- Generate 3X more revenue than traditional PPA models
- Real-time reporting & financial insights
- Integration with RentManager®, AppFolio®, Yardi®, Buildium®, RealPage®, Entrata®, MRI Software®



## Tenant Trust & Transparency

- Build lasting relationships through transparency
- Self-service tenant portal
- Automated payment collection
- AI-powered customer service

01

---

## Measure Usage

With no upfront equipment, Energy311 measures energy usage directly from existing setups. Supports all major utility companies and metering technologies including smart meters, AMI systems, and third-party hardware meters. Compatible with PG&E, SCE, SDG&E, SMUD, ComEd, ConEd, and 40+ utilities across the US.

02

---

## Generate Custom Bill

Professional utility-grade bills featuring detailed usage breakdowns, solar generation credits, demand charges, time-of-use analysis, and regulatory line items. Fully customizable with company branding and integrates seamlessly with property management systems like RentManager®, AppFolio®, Yardi®, Buildium®, RealPage®, and Entrata®.

03

---

## Apply Utility Rates

Multi-utility rate engine automatically applies current tariff structures including time-of-use rates, demand charges, tier pricing, seasonal adjustments, and all regulatory fees. Bills calculated to the penny using the same methodology as local utilities, ensuring accurate market-rate pricing that maximizes solar investment returns.

# IHA AFTER adding Energy311

## Solar Financing

203kW Solar Cost / Loan	\$525,000
Financing term	30 / 7yr balloon
Financing interest rate	5%
Monthly payment	\$2818.31

## Tax Benefits

Solar tax credit (26%)	\$136,500
Fed bonus depr. (21%)	\$93,713
CA State depr. (8.84%)	\$39,449
Total Tax Benefit	\$269,622
Solar Cost After Taxes	\$255,338

## Added Profit, Building Value

**\$60K**

Yearly NOI / Energy Profits

**6.5%**

CAP Rate

**\$926K**

Increased Prop Value (Y1)

## Be Your Own Power Grid®

Energy311 helped turned idle rooftop into meaningful value for all parties:



**> \$60k/year in additional NOI**

That's Power with a Payback™



**~ \$1M 1st year increase**

Increase in building market value with no property tax increase.



**\$2.45M total new revenues**

Total new revenues from solar (after 25 years)



**No changes to lease terms**

No changes to lease terms for tenants.

# Results: Increased Revenues and Building Value

Revenue collected from tenants for electricity with Energy311's automated billing platform

Yr	Billing Revenue	Ongoing Fees	Tax Incentives	NOI	Loan Payment	Cash Flow
1*	\$114,218	\$54,022.92	\$240,030	\$60,195	\$33,820	\$266,405
2	\$119,928	\$56,724.07	\$15,708	\$63,205	\$33,820	\$311,498
3	\$125,925	\$59,560.27	\$9,425	\$66,365	\$33,820	\$353,468
4	\$132,221	\$62,538.28	\$5,655	\$69,683	\$33,820	\$394,987
5	\$138,832	\$65,665.20	\$5,655	\$73,168	\$33,820	\$439,989
6	\$145,774	\$68,948.46	\$2,827	\$76,826	\$33,820	\$485,823
7**	\$153,063	\$72,395.88	\$0	\$80,667	\$495,531	\$70,959
...						
25	\$368,364	\$174,229.32	\$0	\$194,135	\$0	\$2,453,788


 \* 1st 3 months of actuals used to project years 1-25 based on 5% rate escalator.

\*\* Cashflow dips in year 7 due to balloon payment on construction loan.

# Investment Scenario: Solar Purchase with Energy311

If the property owner decides to invest in solar, rather than financing the project:

Year	Billing Revenue	Ongoing Fees	Tax Incentives	NOI	Yearly ROI	Cash Flow
0	\$0	\$0	\$0	\$0	N/A	-\$525,000
1	\$114,218	\$54,022	\$240,030	\$60,195	57.19%	-\$224,774
2	\$119,928	\$56,724	\$15,708	\$63,204	15.03%	-\$145,862
3*	\$125,925	\$59,560	\$9,425	\$66,365	14.44%	-\$70,072
4	\$132,221	\$62,538	\$5,655	\$69,683	14.35%	\$5,266
5	\$138,832	\$65,665	\$5,655	\$73,167	15.01%	\$84,089
6	\$145,774	\$68,948	\$2,827	\$76,825	15.17%	\$163,742
...						
25	\$368,364	\$174,229	\$0	\$194,135	36.98%	\$2,627,239

 \* Break even: 3.9 years, Average Yearly ROI: 24%, projections based on 5% rate escalator

# Customer Quotes

"I'd love to go head-to-head against a competitor that is proposing a PPA; you guys give control back to the property owner"

- Marie P., Stellar Solar

---

## Contact Information



Website: [www.energy311.com](http://www.energy311.com)

Email: [sales@energy311.com](mailto:sales@energy311.com)

Phone: 858.255.1664