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RGS Energy grows its Northeast and national offerings

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RGS Energy, Inc. of Louisville, Colorado has been busy expanding its business, both geographically and its capabilities. In January, the company formerly known as Real Goods Solar, completed the acquisition of commercial integrator Mercury Solar Systems, of Port Chester, NY. The integration is complementary, with RGS historically serving the residential and utility scale solar markets, while Mercury has focused on commercial and industrial client rooftops and solar parking systems. In addition to valuable physical assets, operational systems and customer base, debt-free Mercury brings to RGS Energy \$12 million of net working capital, including more than \$10 million in cash.

"We plan to use these funds to further accelerate growth in key markets across the country," CEO of RGS Energy Kam Mofid, said in a written statement. The combined entities have completed 19,000 solar projects in the U.S. since 1978, and now operate in 17 states.

In February, RGS Energy and Altus Power America Management, an investor in and manager of solar power projects, formed a new joint venture, RGS Energy Asset Management LLC. The purpose of the joint venture is to develop, finance and manage up to \$150 million of commercial solar projects. The joint venture is designed to bring RGS Energy into the arena of energy asset ownership, leveraging both organizations' expertise in developing, building and owning energy assets. The partners will jointly manage the available pool of capital, so funds can be more quickly and efficiently deployed to propel growth. Further, it allows RGS Energy to integrate credit qualification and capital sourcing into its core operations. This integrated approach is expected to streamline and improve RGS Energy's already industry leading customer acquisition, engineering, construction and project monitoring capabilities.

The northeast U.S. is a key market for RGS Energy. In addition to a growing residential business, the Commercial business is fully staffed with project developers, engineering, operations including project management and permitting, construction and installation, and field operations and management services.

We've been fortunate to have success with high volume electricity users in the commercial and industrial space, and with the design/build community for new construction and renovation projects. RGS Energy also has a strong track record working with National accounts and commercial real estate owners. With the creation of RGS Energy Asset Management, we are extremely well positioned to provide turn-key and long term solar energy services to Municipalities, state agencies, and higher education clients. With today's energy challenges facing the U.S. and the northeast in particular, solar energy makes so much sense for so many people.

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