



2023 TFS Annual Report



“In 2023, we made remarkable strides in installing solar energy and storage systems while confronting the challenges of climate change head-on. Despite facing hotter and longer summers, our work remains crucial in limiting future warming.

This year marked a milestone as we introduced electric trucks into our installation process, a far more practical approach than our bicycle-powered beginnings! We’re on track for a nearly complete transition to a fully-electrified fleet within the next two years, all powered by solar energy.

We also built significant enhancements in the efficiency of our solar plus storage installations, leading to increased customer adoption of battery systems and making a tangible impact on reducing fossil fuel consumption during peak times.

In short, our team of deeply committed individuals continues to lay the foundation for a brighter future by prioritizing quality, performance, and our clients’ best interests.”

Kevin Koch

Co-Founder & CEO



Third Party Standard



Earning certification as a B Corporation involves a thorough evaluation process conducted by the non-profit B Lab.

Companies undergo assessment in five critical areas: environmental impact, treatment of workers, community involvement, corporate governance, and customer relations. B Corps are committed to accountability and creating value for all stakeholders, not just shareholders.

TFS was founded with the mission of tackling the climate crisis by removing barriers to clean energy, and we've proudly been a Certified B Corp since 2014. While B Corps typically need a minimum score of 80 out of 200 on B Lab's annual assessment, with the average score being 109, TFS achieved an impressive score of 138.6 in our most recent certification in 2023!

TFS's

B Impact Score:

138.6

TFS is a Public Benefit Corporation

A Public Benefit Corporation (PBC) is a corporate legal structure in Arizona, Colorado and many other states, that engraves public benefits and purposes, such as the community and the environment, into a company's legal structure.

This helps ensure TFS's company mission remains intact for the long-haul and is an exciting divergence from corporate structures designed with mandates for shareholder primacy or profit maximization.

Each year since 2019, TFS publishes an annual PBC report to highlight our mission and purpose. In addition to implementing high-quality, accessible clean energy, TFS's purpose is to strengthen our local community and economy by focusing on people and the planet.

The following report speaks to our efforts to contribute to the lives of our employees, to our community, and to the world we live in.

Read more at TFSsolar.com/bcorp



Electrifying Our Fleet

In 2023, TFS successfully acquired and deployed two F-150 Lightning electric trucks, broadening our transition to electric vehicles across our sales, service, and installation teams.

This marks a significant stride towards achieving our long-term goal of operating with net zero carbon emissions. Looking ahead, we intend to procure more electric trucks in the coming years as we progressively phase out gas-powered vehicles altogether.



2023 Solar Metrics

4.4
MW

of solar
installed
in 2023



409
Residential
Solar Systems

3.2 MW
Solar Capacity



10
Commercial
Solar Systems

1.2 MW
Solar Capacity



84
Battery Storage
Systems Installed



2023

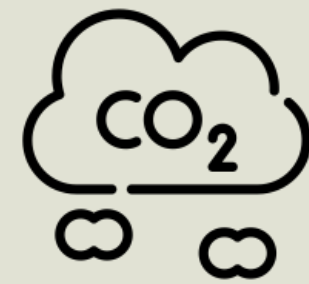
Environmental Savings

Solar energy systems installed by TFS in 2023 account for an annual environmental offset of:



Water saved:

2.9M Gallons



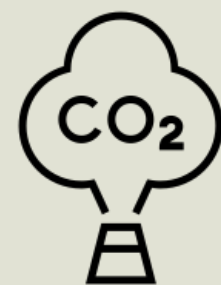
CO2 offset:

8.5M Pounds



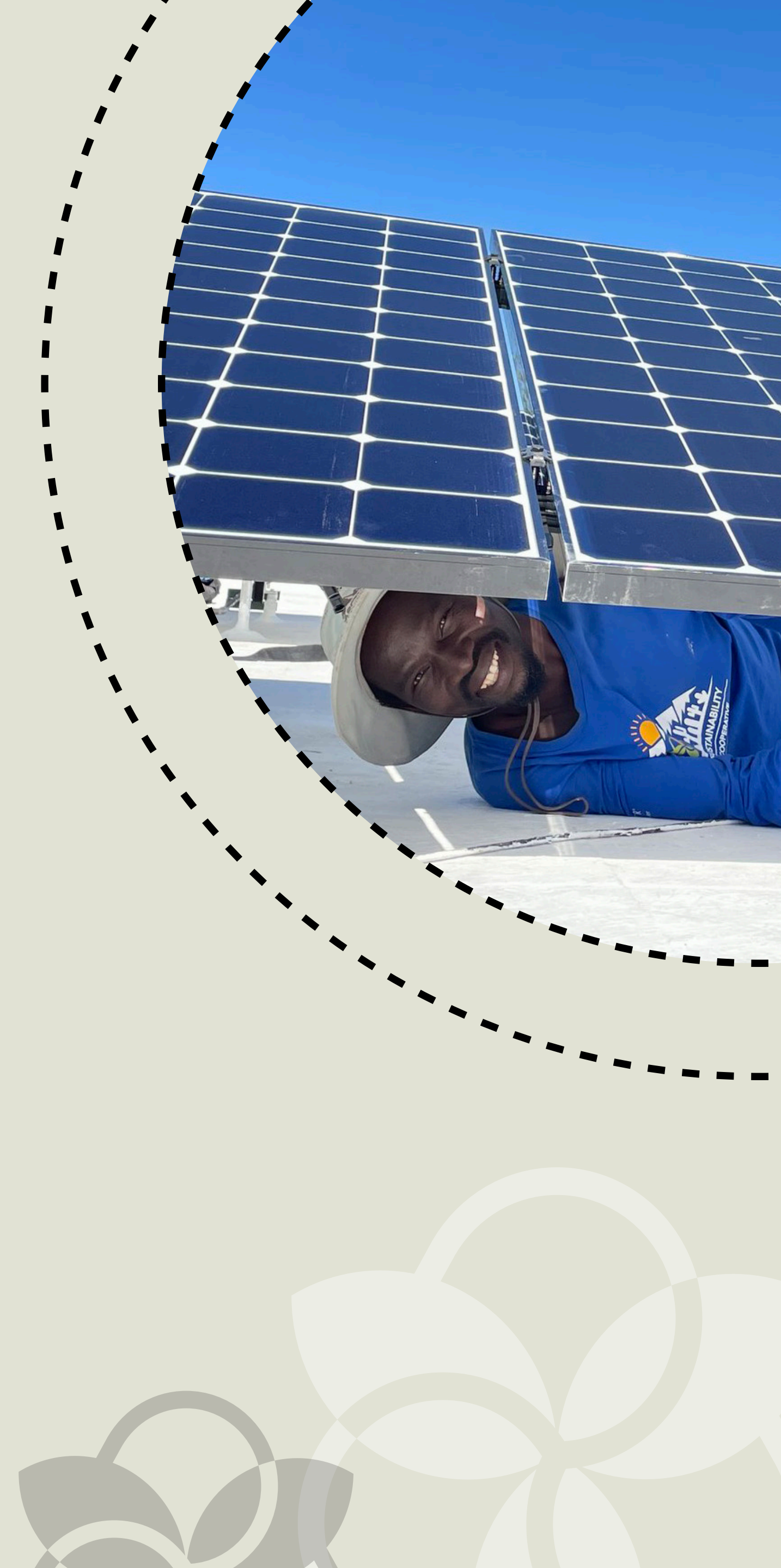
Trees Planted:

403K Trees



CO2 offset translates to:

6.5M Miles Not Driven



2023

Commercial Solar

Notable commercial
installations in 2023:

These mid-sized commercial projects help businesses and non-profits control their costs, reduce the environmental impacts of their operations, and often provide much needed shaded parking.



Fort Lowell Apartments

System Size: 185 kW

Tucson Estates POA

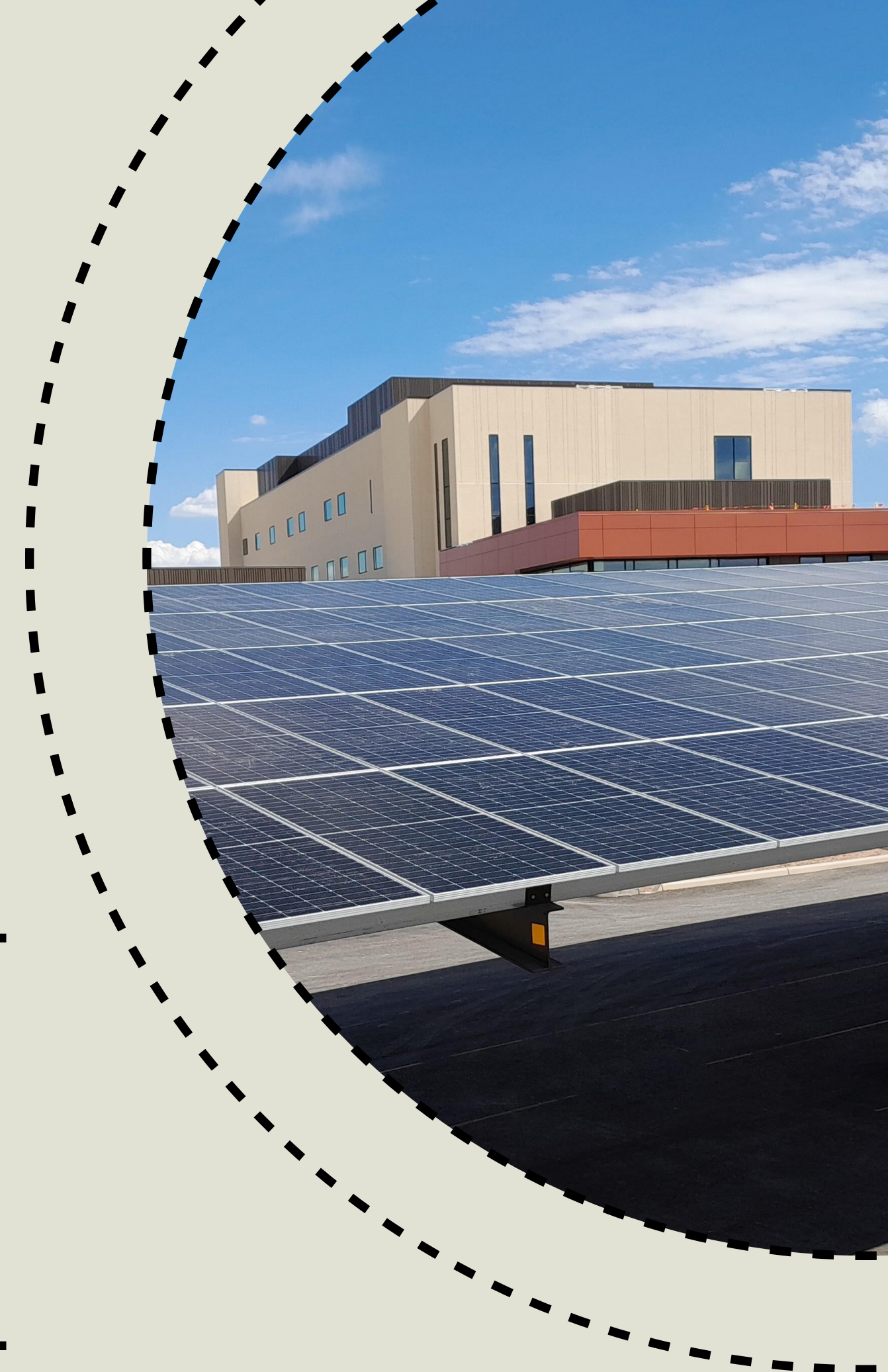
System Size: 170 kW

Catalunya Apartments

System Size: 106 kW

Tucson Medical Center (Rincon)

System Size: 101 kW



CFSA*

Non-Profit Solar Program

TFS was honored to be chosen as the installer for a new non-profit solar funding initiative. The Community Foundation of Southern Arizona (CFSA) launched the Nonprofit Solar Project, offering local nonprofits the opportunity to meet a significant portion of their energy needs through solar power.

Through the switch to solar, nonprofits are able to reduce their carbon footprint and energy costs, freeing up resources for programming or other infrastructure needs.

The first installation under this initiative was The Edge School, and we look forward to providing solar power to the remaining five nonprofits in the upcoming year.

**(Community Foundation
for Southern Arizona)*



Employee Ownership

Our 9th EO candidacy program took place in 2023. We ended the year with 27 co-owners, again, having brought in new owners, and had others retire.

Additionally, 29 non-owner employees, and 21 former employees, own preferred stock in TFS.

Spreading ownership more broadly has wide-ranging benefits that we're continuing to see.



Individual Employee Impact

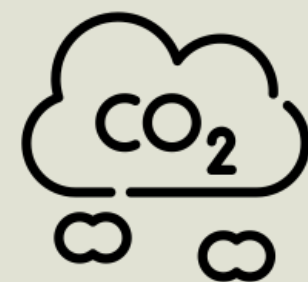
**65
kW**

**of solar capacity
per employee**

**Each TFS staff member
contributed to an average
offset of:**



**43,000
Gallons of H2O**



**125,000
Pounds of CO2**

per year for the life of these systems.



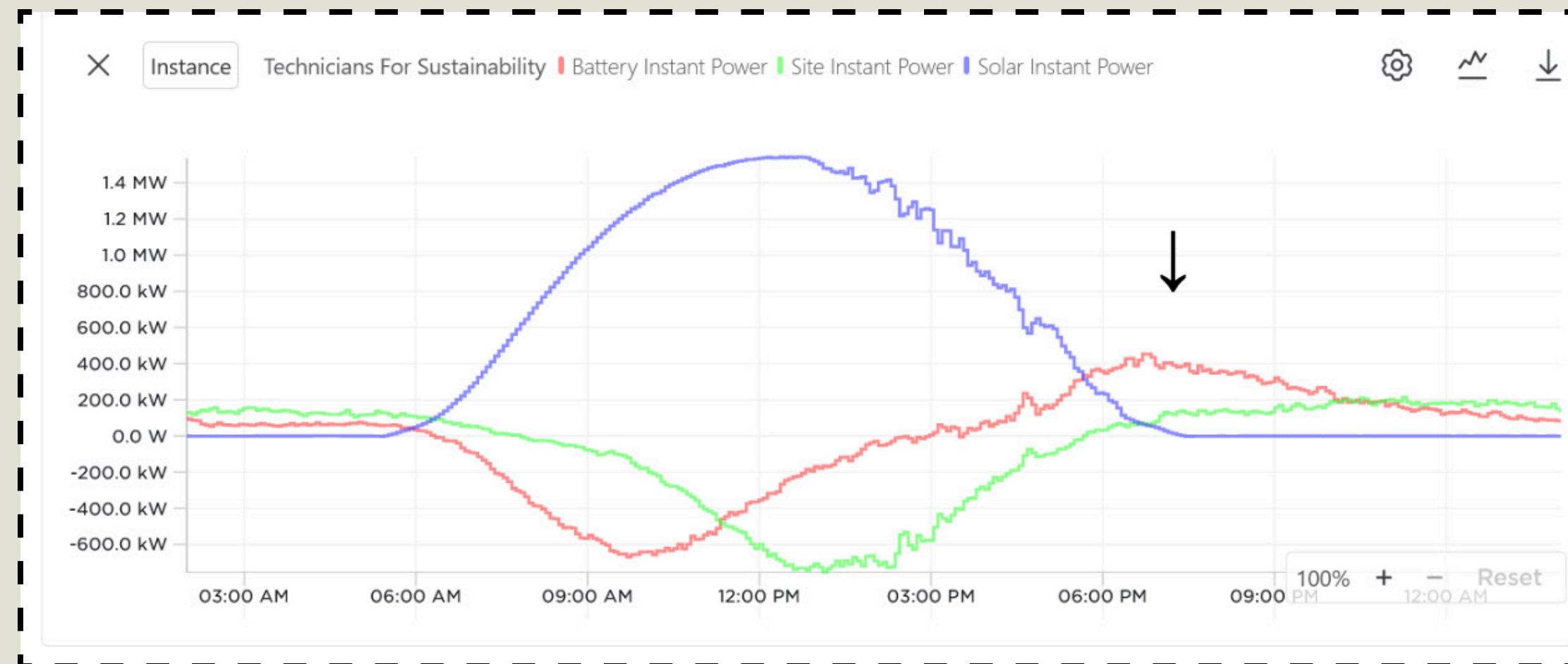
Battery Storage

Storage Product Offering Advancements & Resulting Impacts

Solar plus storage installations offer homeowners the ability to maintain electricity during outages and maximize the use of solar energy within the home, resulting in greater savings on electricity bills.

Additionally, batteries can be managed to benefit the overall grid by lowering fuel consumption and reducing the need for new power plants to address rising peak demand.

Tesla Powerwall systems installed by TFS this year reduced peak demand by approximately 450 kW on the busiest grid demand day of the year in TEP service territory.



How Tesla customers are helping alleviate grid stress during peak power times (summer afternoons)



Pass the Sunshine

Through our **Pass the Sunshine** program, TFS donated to the following Tucson-based non-profit organizations in 2023:

Books Save Lives
Borderlands Produce Rescue
Community Food Bank
Gospel Rescue Mission
Lakeshore Learning
Literacy Connects
Watershed Management Group
Youth on Their Own



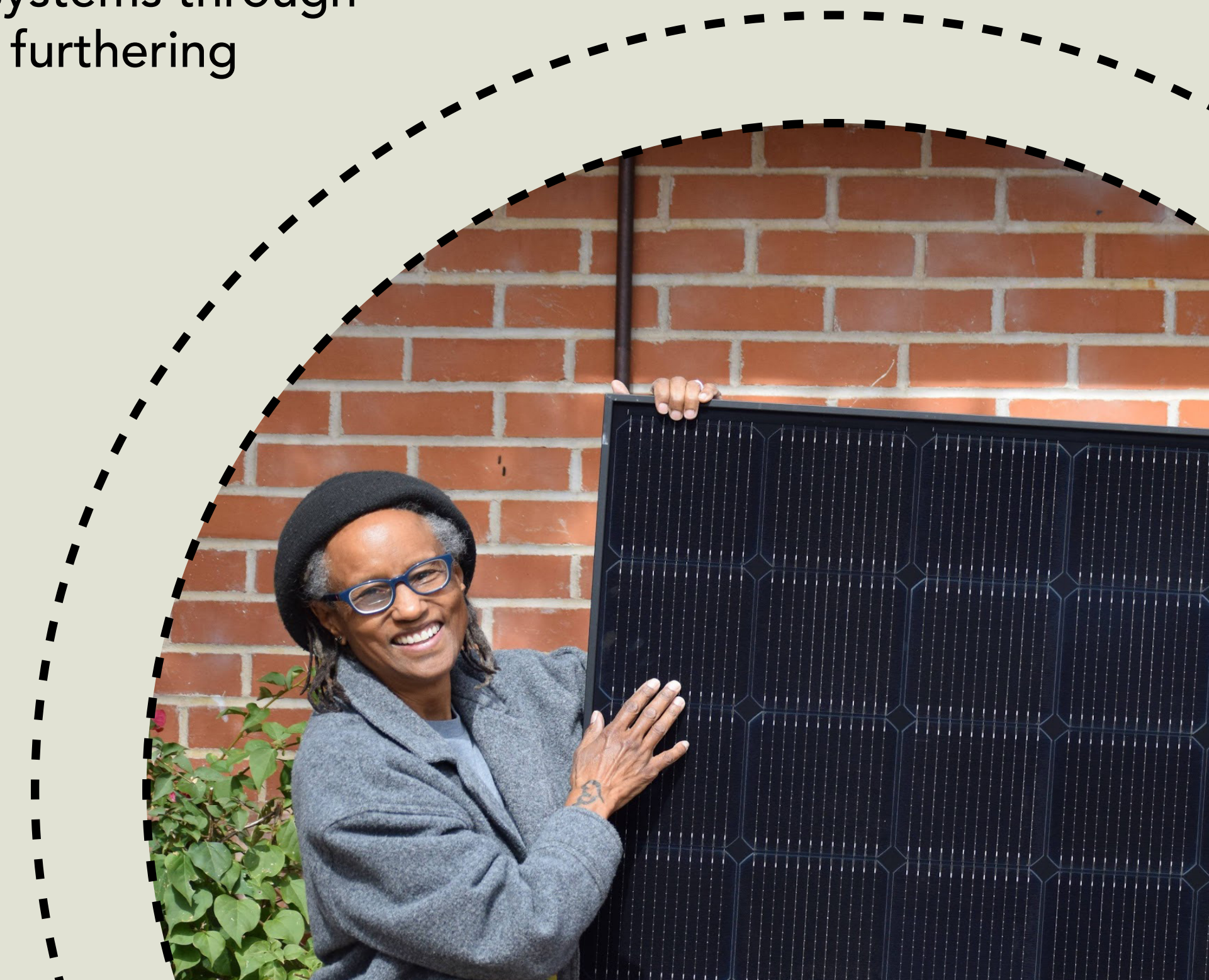
SERI Program Update

In an exciting collaboration with SERI, the Clean Energy Credit Union, and the City of Tucson, TFS expanded our low-income solar program, Solar Empowerment.

The city allocated \$100k annually for two years to cover 30-50% of the cost of solar installations for low-income households. Customers have the option to finance the remaining balance with a special low-interest loan from the Clean Energy Credit Union.

In 2023, TFS successfully installed 12 systems through this initiative, and we're committed to furthering the program in 2024.

Learn more at TFSsolar.com/seri



CECU

Low Interest Loan Program

Partnering with the Clean Energy Credit Union, TFS has significantly broadened access to solar power within our community.

By offering financing for residential solar installations at rates 2-4% lower than market rates, we're ensuring that clients seeking to invest in clean energy aren't hindered by high interest rates.

This initiative reflects TFS's ongoing commitment to making solar energy accessible to homeowners across a broader spectrum of economic circumstances.



49MW+
of solar installed

4,300+
customers served

...since 2003

520.740.0736 | TFSsolar.com

ROC 310729, 310731, 310732

