

Friday, April 05, 2013

To: Kenergy Solar

From: Daniel Hellerstein, 1909 Franwall Ave, Wheaton 20902. 301 649 4728

Re: Status of job

Given the current status of the job, and its history, a new approach is needed. First and foremost, with an initial contract signing in July 2012, and a finalization of extra details in August 2012, the fact that the installation is not fully complete (after almost 8 months) is highly problematic.

A carrot and a stick seem to be needed.

First, a summary.

- a) Contract was for \$40,000; for installation of 26 panels and two Aurora central inverters, as well as a Magnum off grid inverter and four AGM batteries. The Magnum/batteries to be configured as “most of house” backup, connected to an existing critical loads panel and AC coupled to one of the Auroras.
- b) Payment of \$33,605 has been made (as of September 2012)
- c) An extra charge of \$250 was added in October (for circuit breaker panel replacement)
- d) I recently purchased a battery enclosure for \$980; I agreed to pay for the first \$600, and split the difference. That means Kenergy owes me \$190
- e) Rounding up, total bill is \$40,100. Minus \$33,600. Hence, amount owed on job completion is \$6500.

My understanding is that the following work still needs to be completed

- a) The 5 panel string is not producing power – voltage readings are within range, but amperage is not (180V and 0.2A). This needs to be rectified (perhaps one of the solar panels is bad)?
- b) The battery enclosure is awaiting delivery and assembly (unless you desire otherwise, I will do the bulk of the assembly). When that occurs, the batteries are to be installed, and wired up to the Magnum.
- c) The Magnum is to be connected to the critical loads panel. I assume that the main (non –generator input) to the critical loads panel will be used (hence, the critical loads panel will be fed from the Magnum, rather than the central breaker panel).
- d) A small (8-10 circuit) sub panel is to be connected to the critical loads subpanel.
- e) The Aurora B (11 panel) inverter’s is to be connected to this sub panel (rather than to the central breaker panel)
- f) Pepco and Montgomery county inspection and final approval of the installation

Completion of step f means the job is complete, with power being legally produced (with excess sold to the grid); and final payment is due. However, a few other steps exist:

- a) Arranging for SREC sale
- b) Optimization of panels: such as
 - lowering the front four panels (of the 8 on the flat roof) to eliminate partial shading of the back four.
 - Possible installation of DC optimizers on some (perhaps all) of the panels; such as those in the 11 string panel
 - Other stuff (such as back covers for tilted panels)

What now

A moderate amount of work is still to be done. But current trends suggests this could take months. Which is unacceptable. Hence...

The carrot:

Attached to this letter is a check for \$1,000.

The stick:

If substantial progress has not been made by the first week of May, or if the job is not essentially complete by June 1 (i.e.; awaiting Pepco/MoCo post-inspection paperwork over which Kenergy and I have no control), I will assume the contract is non-performing.

This means that I will assume responsibility for completing the job, and will hire and subcontract to complete it.

The cost of such hires and subcontracting will be subtracted from the \$5500 owed on the job (the \$6500 – attached \$1000 payment). Whatever remains, if anything, will be paid to Kenergy.

This is a course of action I have no desire to take: Kenergy ought to be more efficient at these tasks than I am. But the length of time this job has taken makes me question this assumption. In other words, I hope that this course of action will not be necessary (but hope is not a plan).

Towards these ends, I will allow that the following steps (as described in the work to be completed listed above) be optional.

1. The AC coupling component. If connecting the Magnum & batteries with the Aurora B presents difficulties, including difficulties winning approval from Pepco or MoCo, it can be dropped. That is: the Magnum/batteries can be installed as regular most-of-house-backup. Thus: steps d and e may be dropped.
2. The “other steps” – such as the SREC sale and panel optimization -- are not required.

Of course, I would prefer that these be completed, as was stipulated in the contract. But recognizing the problems Kenergy has encountered, I am willing to let these be

accomplished separately (I expect the SREC sale to be fairly easy, while the optimization would benefit from creative thinking).

Again, I would much rather that the job by Kenergy as stipulated in the contract, with payment per the contract. I will even accept reducing the scope of work, as noted above.

That said, as of June 1 the job will have taken over 9 months – and that is just too long. Hence June 1 is a firm deadline.

Sincerely

Daniel Hellerstein