solaredge

Domestic Content Products

Frequently Asked Questions

Q: What are the Domestic Content % levels and the schedule for each?

A: By Q2 2025, our Three Phase DC-Optimized inverter system will be eligible for 35.6% Domestic Content, per IRS Notice 2024-41. Please note that SolarEdge does not provide tax and/or legal advice. Customers should consult with their own legal and/or tax advisor(s) regarding the eligibility of their project for the ITC or PTC, including the 10% Domestic Content bonus, to determine how the applicable rules apply to a particular project.

Q: What were the key factors that led to the choice of 1:1 configuration for the Domestic Content product line?

A: The product configuration qualifies under the Rooftop (MLPE) category, allowing customers to maximize their Domestic Content benefits with our products by gaining 35.6% towards their Domestic Content bonus for their projects.*

Q: How does the new product line configuration benefit SolarEdge's customers in terms of Domestic Content compliance?

A: The use of Domestic Content DC-Optimized inverter systems will allow customers to qualify for up to 35.6% Domestic Content in their projects.*

Q: Do we have an advantage over string inverters regarding Domestic Content?

A: Yes! The contribution string inverters provide to customers is only 7.6%, whereas our system provides up to 35.6% towards the Domestic Content calculation. This means our systems can help customers depend less on the availability of Domestic Content PV modules to achieve the 40% threshold. For instance: In early Q2 2025, paired with our C&I Domestic Content products (35.6%), customers would only need rails (8.6%) to potentially achieve 44.2% or, when paired with full racking, could be eligible for 61.4%.*

Q: How can we achieve the Domestic Content bonus without using domestically manufactured modules?

A: SolarEdge inverters will contribute 35.6% toward the Domestic Content threshold. Many racking suppliers are either already offering or are soon planning to offer products that are fully or partially domestically produced. Choosing this route has the advantage of a relatively low cost premium—around \$0.025/W more than current non-domestic alternatives for both inverters and racking. By combining SolarEdge's C&I products with domestic racking options, asset owners can achieve the Domestic Content bonus credit in a straightforward and cost-effective way. This solution will be available starting in March 2025.

Additionally, we are collaborating with leading racking suppliers to develop webinars and educational resources, guiding customers on how these combined products can help them meet their Domestic Content requirements.

Inverter	Racking Supplier	Status and Timing of Racking Suppliers	Domestic Content Level in March-25 (SolarEdge Inverters + Racking)
SolarEdge C&I Inverters & Optimizers	PanelClaw	Full Domestic Content available today for <u>clawFR®</u> , <u>clawFRplus</u> ™ products	 61.4% (Based on Elective Safe Harbor Table) Contact<u>sales@panelclaw.com</u> for further details
	Unirac	 Rail-based racks: <u>SOLARMOUNT</u>: Full Domestic Content today <u>NXT UMOUNT</u>: Partial Domestic Content today, full Domestic Content H1-25 Ballasted Solution (<u>RM10 EVO</u>): Partial Domestic Content today and full Domestic Content Q1-25 	 Rail-based racks: 61.4% (Elective Safe-Harbor Table) Ballasted Solution: Possible via DCBC Contact <u>nicolas.Martinez@unirac.com</u> for further details
	IronRidge	 Rail-based racks (<u>XR Flush Mount</u>): Full Domestic Content in Q1-25 Ballasted Solution (<u>BX Ballast System</u>): Partial Domestic Content today 	 Rail-based racks: 61.4% (Elective Safe-Harbor Table) Ballasted Solution: Possible via DCBC Contact glenn.woodruff@ironridge.com for further details
	Opsun	Full Domestic Content available starting Q2-25 for <u>SunRail™ flat roof racking</u>	 61.4% (Based on Elective Safe-Harbor Table) Contact <u>srivard@opsun.com</u> for further details
	S-5!	Full Domestic Content available today for <u>PVKIT®</u> <u>Rail-Less Metal Roof Solar Mount</u>	 61.4% (Based on Elective Safe-Harbor Table) Contact <u>mgies@s-5.com</u> for further details

The Path for 10% with SolarEdge Inverters and Racking

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Q: Why have the inverter PNs (part numbers) been reduced from 11 to 3?

A: In an effort to streamline inventory for our customers and partners, we are reducing the number of inverter SKUs. This is aimed at improving efficiency for distribution and reducing product lead time. That being said, the same 9 power class options will remain for Three Phase Inverter offerings, and they can be chosen during inverter commissioning.

Q: How does single part number/multiple model numbers work with nameplate stickers? The utilities require us to submit photos of the inverter nameplate. How will this work if the inverter configuration is determined during commissioning?

A: The inverters ship with a nameplate that includes all of the possible power levels, and once the power level is chosen, the installer marks down permanently the chosen power level. We will release instructions and training on this in the near future.

Q: Won't the cost of using twice as many optimizers negatively impact project financials?

A: Systems with Domestic Content products will have a 2.5-3 ¢/Wdc premium over the previous configuration, which customers are expecting. The slight increase in price will be more than offset by fewer strings, reducing BoS costs, and helping achieve the Domestic Content bonus credit.

Q: What are the differences between the new optimizers (C651U/C652U) and previous optimizers?

A: The BoS advantage over other solutions that the current optimizers offer remains strong, and both configurations hold similar advantages over systems with UL 3741 and String inverters + MLPE configurations. While a 2:1 configuration has fewer optimizers to install, the 1:1 configuration enables simpler wiring for module connection. Therefore, installation effort remains the same.

Q: Do C651U and C652U have other benefits?

A: The new C651U and C652U optimizers have a higher output current than the current optimizer offers (24A vs. 18A). This feature enables longer strings than previous optimizers, leading to designs having fewer total strings. Fewer strings mean higher BoS savings.

Q: What is the maximum power supported by the new power optimizers (C651U and C652U)?

A: C651U and C652U optimizers can connect to modules of up to 715W (before bifacial gains).

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Q: What is the difference between C651U and C652U?

A: C651U is RSD compliant for rooftop systems. C652U is not RSD compliant, though it still has the SafeDC[™] feature and is intended for carport systems.

Q: Why aren't the new Domestic Content products (inverters and optimizers) compatible with the previous products?

A: The new Domestic Content products are designed to work together for maximum project optimization, so they are only compatible with each other and not compatible with previous generations. The new optimizers/inverters will not work with previous products. Furthermore, for the Domestic Content credit to be claimed Domestic Content inverters and optimizers must be installed together.

Q: How is SolarEdge planning to support customers in transitioning to the new products? What documentation will SolarEdge provide for Domestic Content certification? What is the process for obtaining these documents?

A: We will be scheduling training sessions. Our Applications Engineering team will be available to support and answer questions during this transition. If you need official documentation or a certification letter from SolarEdge regarding Domestic Content levels, please reach out to your Commercial Sales Manager.

Q: When will the new products be included in the CEC (California Energy Commission)?

A: The inverter models are already on the list. The new inverters have the same models as the non-Domestic Content version, which are CEC listed. Part numbers are changing to reflect Domestic Content, but there will be no impact on model numbers, interconnection, and CEC listing. CEC listing does not include optimizers.

Q. How readily available will the commercial-scale SolarEdge inverters be by Q2 2025? Will there be limitations to who can procure them in Q2? / When will they start shipping?

A. We don't expect any issues meeting demand. We plan to start shipping by March 2025.

Q. Will you provide a direct cost calculation for Domestic Content? What is the Domestic Content percentage for these inverters and optimizers using the direct cost method?

A. Yes, if our customers need this calculation, we will support them. Using the Domestic Content DC-Optimized Inverter System, you can use 100% of the allowable cost for both optimizers, inverters plus labor.

Q. Will SolarEdge supply the necessary documentation for these products to ensure support of the ITC Domestic Content figures provided?

A. For those customers placing orders, SolarEdge will provide a certification letter regarding the Domestic Content.*

* Please note that this document refers to SolarEdge products that are being manufactured in the U.S. with the intent to be eligible for inclusion under the elective safe harbor plan in calculating the Domestic Cost Percentage under the "Rooftop (MLPE)" category (under IRS Notice 2024-41). Eligibility is subject to the installation of qualified USA-Manufactured inverters and power optimizers in the same project. SolarEdge does not provide tax and/or legal advice. You should consult with your own legal and/or tax advisor(s) regarding the eligibility of your project for the ITC or PTC, including the 10% Domestic Content bonus, to determine how the applicable rules apply to your project. The forward-looking statements in this document are accurate as of the date herein and are subject to change. For more information, please contact your local SolarEdge sales representative.

