

Developers often cite that the equipment, that will be utilized in their development, will be “Tier One”, but what does that mean? Well, it isn’t what they infer or lead you to believe...

From Bloomberg NEF, the organization which designates the “Tier One” designation:

“BloombergNEF has developed a tiering system for PV module products based on bankability, to create a transparent differentiation between the hundreds of manufacturers of solar modules on the market. Since this basic categorization has been used as an advertisement by certain manufacturers, but should never replace a proper due diligence process in product selection, this document explains the tiering criteria and its limitations.”

“BloombergNEF is frequently requested by clients for a list of 'major' or 'bankable' suppliers - in common industry parlance, tier 1 suppliers - for use in manufacturing forecasts, preliminary competitor analysis, and other internal comparisons. It is very common for industry players to refer to 'tier 1' players, but these terms are seldom defined or described, which is unhelpful for firms outside the solar industry trying to get a basic overview.

We strongly recommend that module purchasers and banks do not use this list as a measure of quality...”

“This classification is purely a measure of industry acceptance, and there are many documented examples of quality issues or bankruptcy of tier 1 manufacturers.”

Excerpts taken from, <https://assets.bnef.com/public/tiering/solarmodules.pdf>